Thursday
4th March, 1954

PARLIAMENTARY DEBATES

HOUSE OF THE PEOPLE

OFFICIAL REPORT

(Part I- Questions and Answers)

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The House met at Two of the Clock

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

HINDI PROPAGATION BY RADIO

*602. **Shri M. L. Dwivedi:** Will the Minister of **Information and Broadcasting** be pleased to state whether any attempt is being made to teach Hindi or any other Indian language by radio to overseas listeners?

The Minister of Information and Broadcasting (Dr. Keskar): No, Sir.

At present, there is no broadcast to teach Hindi to overseas listeners.

श्री एम० एल० द्विवेदी : मैं यह जानना चाहता था कि जब कि दूसरे देश, जैसे कि यूनाइटेड किंगडम इत्यादि, अपने देश की भाषाओं का प्रचार करने में और उस की शिक्षा देने में रेडियो का इस्तेमाल करते हैं, तो हमारे मंत्री महोदय अपने देश की भाषा का दूसरे देशों में सुनने वालों के लिए प्रचार करने का प्रयत्न क्यों नहीं कर रहे हैं ?

डा० केस्कर : हिन्दी के प्रकार के बारे में हम भी चाहते हैं कि हिन्दी का प्रचार अधिक से अधिक हो, लेकिन इस मामले में

इस की आवश्यकता और इस के बारे में जो मांग होगी उस को देख कर ही हम को काम करना पड़ेगा । जो विदशों में हिन्दुस्तानी रहते हैं उन के लिए हमारी ऐक्सटरनल सर-विसेज में प्रोग्राम होते थे लेकिन वहां उन के सुनने वाले करीब करीब नहीं के बराबर थे । इसलिए उन को बन्द करना पड़ा ।

श्री एम० एल० द्विवेदी : क्या मंत्री महोदय यह मानते हैं कि हिन्दी लिपि संसार की और दूसरी भाषाओं की लिपि से अच्छी है और यदि हम इस का प्रचार करें तो यह संसार भर की भाषा बन सकती है, और क्या इस सम्बन्ध में.....

Mr. Speaker: Order, order. We are concerned with the language and not the script. His question is about *Lipi*.

श्री एम० एल० द्विवेदी : हिन्दी लैंग्वेज की लिपि के कारण हिन्दी भाषा बहुत अच्छी भाषा है और इसे दूसरे देशों के लोग अपना सकते हैं । इसलिये मैं पूछना चाहता हूं कि क्या मंत्री महोदय इस दिशा में कोई उपाय सोच रहे हैं कि जिस से दूसरे देशों में हिन्दी का प्रचार हो ।

Mr. Speaker: I do not think he is capable of answering this question.

सेठ गोविन्द दास : माननीय मंत्री जी ने अभी यह कहा कि पहले वैदशिक विभाग से कुछ हिन्दी के कार्यक्रम बाहर प्रसारित होते थे

लेकिन उन को सुनने वाले नहीं थे इसलिये वह बन्द कर दिये गये। मैं यह जानना चाहता हूं कि मंत्री महोदय को यह कैसे मालूम हुआ कि वहां पर सुनने वाले नहीं थे, क्या उन की सूची माननीय मंत्री जी के पास आयी है, और क्या मंत्री जी को यह मालूम है कि जहां तक उन भारतीयों का सवाल है जो कि विदेशों में रहते हैं, वे आज भी हिन्दी के कार्यक्रमों को सुनने के लिये बहुत उत्सुक हैं?

डा० केसकर: आनरेबिल मेम्बर के मन में कुछ गलतफ़हमी है। हिन्दी के कार्यक्रम तो हमारे यहां से बहुत होते हैं, बल्कि घंटों होते हैं, लेकिन यह रेडियो द्वारा हिन्दी के सबक सिखलाने का सवाल है। इस के बारे में मैं ने कहा कि यह दो बार और दो अलग अलग जगहों के लिए यानी ईस्ट अफ्रीका और फिजी के लिए प्रयत्न किया गया था लेकिन पहले फिजी में और फिर ईस्ट अफ्रीका में जांच करने पर पता चला कि जो हिन्दी के सबक सिखाये जाते थे उन को कोई सुनने वाला नहीं था। इसलिये उनको बन्द कर दिया गया। लेकिन हम फिर प्रयत्न करेंगे। यदि वहां कुछ सुनने वालों की संख्या हुई तो उस को शुरू करने का प्रयत्न करेंगे।

BORDER INCIDENT (KIDNAPPING)

*603. **Shri Bahadur Singh:** Will the **Prime Minister** be pleased to state:

(a) whether it is a fact that three money lenders were kidnapped to Pakistan in August, 1953 from a village in Jaisalmir District and have now been released after paying a heavy ransom;

(b) whether any heads of cattle were also carried away; and

(c) whether Government have taken any action in the matter?

The Deputy Minister of External Affairs (Shri Anil K. Chanda): (a) Yes.

(b) Three camels were taken away by the dacoits.

(c) A detailed report has been called for from the State Government.

Shri Bahadur Singh: Do Government know through which agency that ransom was paid; and if so, what action was taken against the miscreants?

Shri Anil K. Chanda: The dacoits came from the Pakistan area, and, as I said, we are awaiting an official report from the Rajasthan Government.

INDO-CHINESE CONFERENCE ON TIBET

*604. **Sardar Hukam Singh:** Will the **Prime Minister** be pleased to state:

(a) whether a conference has been held in Peking between the Governments of the People's Republic of China and India on Tibet;

(b) if so, what matters were discussed; and

(c) whether any agreement has been reached at the conference?

The Deputy Minister of External Affairs (Shri Anil K. Chanda): (a) to (c). Discussions are in progress at Peking between the Government of China and an Indian delegation on matters of common concern relating to Tibet. As the discussions have not yet concluded it would not be proper to make any statement at this stage.

Sardar Hukam Singh: Are any boundary disputes involved?

Shri Anil K. Chanda: The discussions are still continuing, and I submit that until they are concluded it would not be proper for me to give any further information.

Sardar Hukam Singh *rose*—

Mr. Speaker: Order, order. I am going to the next question.

भाखड़ा बांध द्वारा सिंचित भूमि की बांट

*६०५. **सेठ गोविन्द दास**: (क) क्या सिंचाई तथा विद्युत मंत्री यह बताने की कृपा

करेंगे कि क्या भाखड़ा जलाशय में डूब जाने वाली भूमि के बदले बिलासपुर के किसानों को भाखड़ा की नहरों द्वारा सींची जाने वाली भूमि दी जायगी ?

(ख) क्या ऐसी कोई योजना सरकार के विचाराधीन है जिस के अनुसार बिलासपर के लोगों को भाखड़ा की नहरों द्वारा सींची जाने वाली भूमि देने में प्राथमिकता दी जाय ?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) and (b). The matter is under the consideration of Bhakra Control Board.

सेठ गोविन्द दास : क्या माननीय मंत्री जी के पास और क्या बोर्ड के पास इस सम्बन्ध में बिलासपुर के लोगों की कोई दरखास्त आयी है और क्या माननीय मंत्री जी यह बता सकते हैं कि वहां पर इस सम्बन्ध में बहुत अधिक असंतोष है ?

Shri Hathi: The matter is being considered by the Bhakra Control Board. They have appointed a Rehabilitation Committee which is looking into this matter.

श्री राघेलाल व्यास : क्या मैं यह जान सकता हूं कि भाखड़ा कैनाल से जिस भूमि में सिंचाई होगी उस में से कितनी भूमि ऐसी है जो कि गवर्नमेंट के पास है और किसानों के कब्जे में नहीं है । और जो भूमि सरकार के कब्जे में है क्या उस पर बिलासपुर के किसानों को बसाने का प्रयत्न किया जायगा ?

Shri Hathi: That is exactly what the Rehabilitation Board is looking into.

INDIANS IN NATAL

*606. **Sardar A. S. Saigal:** Will the **Prime Minister** be pleased to state:

(a) whether it is a fact that the Indian Community of Pinetown (Natal) are being asked to vacate their habitations;

(b) whether it is also a fact that the three predominantly Indian-inhabited areas in Pinetown including the main Indian commercial centre, have been earmarked for European occupation;

(c) whether it is a fact that the Indian Association met the Council several times and had been assured that they would be dealt with fairly, and in spite of this they are being asked to vacate the areas; and

(d) if so, what steps Government have taken in the matter?

The Deputy Minister of External Affairs (Shri Anil K. Chanda): (a) Yes. According to the plans prepared by the Town Council of Pinetown for the demarcation of group areas for the various races under the Group Areas Act, the persons of Indian origin living in Pinetown will be uprooted. The area proposed for them is about three miles out of the town.

(b) Yes.

(c) Reports have appeared in the press to this effect.

(d) The Government of India raised the issue about the Group Areas Act in the fifth session of the U. N. General Assembly in 1950 and also in all the subsequent sessions. The General Assembly has been passing resolutions every year calling upon the South African Government to suspend the implementation of the Group Areas Act, but that Government have so far ignored these resolutions.

सरदार ए० एस० सहगल : क्या भारत सरकार नैटाल सरकार से आपसी समझौता करने के लिए कोई कार्रवाई कर रही है जिस से कि आगे चल कर इस बात में कुछ वृद्धि हो ?

Shri Anil K. Chanda: The hon. Member is such an eloquent speaker in English and if he could put the question in English...

Mr. Speaker: He wants to know whether there has been any progress.

Shri Anil K. Chanda: The only progress that could be made is to approach the General Assembly.

BURMA ELECTRICITY SUPPLY BOARD DELEGATION

*607. **Shri Muniswamy:** Will the Minister of **Irrigation and Power** be pleased to state;

(a) whether it is a fact that a Burma Electricity Supply Board delegation met him during December, 1953;

(b) if so, what were the important subjects discussed with the delegation; and

(c) whether it is a fact that the Government of India was asked to render technical aid to Burma?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) Yes, Sir.

(b) Power development schemes in Burma in general.

(c) Yes, Sir.

Shri Muniswamy: May I know under what terms and conditions we are giving such aid?

Shri Hathi: The terms and conditions are still under examination.

Shri Muniswamy: Are we sending any technical experts from our country?

Shri Hathi: We are not sending technical experts but we shall be doing their work here—designs and other things.

UNEMPLOYMENT

*608. **Shri S. N. Das:** Will the Minister of **Planning** be pleased to state:

(a) whether the schemes submitted by the various State Governments for solving rural and urban unemployment have been considered and finalised; and

(b) if so, whether a statement of these schemes will be placed on the Table of the House, giving the total expenditure involved in each case, and the share of the Central and State Governments therein?

The Minister of Planning and Irrigation and Power (Shri Nanda): (a) Yes. In all cases in which definite schemes have been received from State Governments decisions have been taken and communicated.

(b) A statement is laid on the Table of the House. [*Placed in the Library. See* Library Index No. S-60/54.]

Shri S. N. Das: May I know whether the results achieved from the sample survey that was undertaken recently regarding unemployment have been scrutinised before giving approval to these schemes?

Shri Nanda: The results of these surveys except for Delhi have yet to come. These results have not been finalised.

Shri S. N. Das: May I know whether the extent of unemployment that will be removed by giving effect to these schemes has been calculated?

Shri Nanda: Very rough estimates were made by some of the States when they asked for the sanction of these schemes but later on, recently, we have addressed a communication to the States to give us details on the basis of which we can make an estimate of the employment potential with regard to the skilled, semi-skilled and unskilled labour.

Shri S. N. Das: May I know whether there is any machinery in the Centre which would see whether these schemes are given effect to by the various State Governments and whether they have the capacity to do so?

Shri Nanda: While sanctioning these schemes usually these things are considered in the Centre. So far as financial help is concerned, arrangements have been made to see that this is provided expeditiously; we have also other machinery to watch the implementation of these schemes.

Shri Sadhan Gupta: May I know whether the West Bengal Government have submitted a scheme for the appointment of teachers so as to relieve the unemployment there and if so, what has happened to that scheme?

Shri Nanda: There are about thirty sheets here which contain schemes from different States and if the hon. Member will refer to the papers he will find that the West Bengal scheme is also included there.

Shri Sadhan Gupta: I wanted to know what has happened to that scheme.

Dr. Ram Subhag Singh: May I know whether Government or, for the matter of that, the Planning Commission has made any effort to find out the root cause of the unemployment; and if so, what efforts are Government trying to take to eradicate the same?

Shri Nanda: For several months all of us, including Parliament, have been engaged in considering this problem.

GRANT TO ANDHRA STATE FROM HANDLOOM FUND

*609. **Shri Nanadas:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that the Andhra State has been granted a sum of Rs. 19·5 lakhs out of the Handloom Cess Fund; and

(b) if so, for what specific purposes the amount is to be spent?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) The total amount sanctioned so far for Andhra is Rs. 38,95,293/-.

(b) A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 20.]

Shri Nanadas: Item 2 in the statement refers to "providing working capital for the co-operative societies in respect of the new weavers joining them". May I know whether there is any limit beyond which this amount cannot be granted to any individual society?

Shri T. T. Krishnamachari: I am afraid I would not be able to answer the question. If the hon. Member would give notice I would try to find out from the Andhra Government.

Shri Nanadas: May I know whether any periodical report is called for from the State Governments regarding the utilisation of this Cess Fund and, if so, whether any report has been submitted by the Andhra Government, and its purport?

Shri T. T. Krishnamachari: The schemes are in the course of being implemented, and it is premature to call for any reports. But I might mention that we have an officer of the Central Marketing organisation who is keeping in touch with what is happening in the various States.

Beedi MANUFACTURING MACHINES

*611. **Shri Keshavaiengar:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) how many permits have been granted for importing *Beedi* Manufacturing machines; and

(b) to whom these permits have been granted; and

(c) in which State these machines will be installed?

The Minister of Commerce (Shri Karmarkar): (a) to (c). The information asked for is not available as *Beedi* manufacturing machines are not classified as a distinct item for purposes of import licensing.

सेठ गोविन्द दास : क्या माननीय मंत्री जी को यह बात मालूम है कि मध्य प्रदेश में और दूसरे स्थानों पर यह उद्योग हाथ से चलता है और क्या इस सम्बन्ध में कोई दरख्वास्तें माननीय मंत्री जी के पास उस प्रान्त से पहुंची हैं कि इस सम्बन्ध में कोई मशीन विदेश से न मंगाई जाये और न यहां ही तैयार की जाये ?

Shri Karmarkar: We were aware some time back—that was last year—there were such machines contemplated in U. P. and in Bombay; and recently also we received a complaint from Madhya Pradesh. In principle, as I had occasion to mention at the time when there was a discussion in the House, we are for discouraging these machines which might result in

unemployment of the *beedi* workers, and we are having the matter considered from that point of view.

Shri T. K. Chaudhuri: May I know if the hon. Minister is aware that such a machine was actually put up for show in the Kalyani Congress Exhibition and that literally millions saw that—has he any information on that?

Shri Karmarkar: Sir, we have not yet been able to prohibit exhibitions of that sort. I am not aware of that particular machine being exhibited in any exhibition.

Shri S. C. Samanta: Is it not a fact, Sir, that some Members of Parliament also met the Minister of Commerce and Industry, the Minister of Labour, and the Planning Minister in connection with this, and may I know what steps have been taken by the Government for the prevention of unemployment on a large scale that will be caused by the introduction of such machines?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): Sometime back a discussion was raised here in this House and my hon. colleague replied to that discussion. Subsequently we wrote to all the State Governments to watch the introduction of these machines. We have got reports from some of them. The legal position with regard to Government's power to ban the use of these machines is a little obscure at the moment, but we are considering ways and means by which we can put a stop to this switch-over from hand-made *beedi* to machine made *beedi*. If ultimately we find that the resources at our disposal are not adequate, we shall not hesitate to come to the House for more powers.

INDIANS IN KENYA

***612. Shri Krishnacharya Joshi:** Will the **Prime Minister** be pleased to state:

(a) whether immigration of Indians has been banned in Kenya and a demand has been made to repatriate them; and

(b) if so, the steps Government propose to take in the matter?

The Deputy Minister of External Affairs (Shri Anil K. Chanda): (a) No.

(b) Question does not arise.

Shri Krishnacharya Joshi: May I know the total number of Indians who have settled down in Kenya?

Shri Anil K. Chanda: The hon. Member wants to know the total number of recent entrants?

Shri Krishnacharya Joshi: No. I want to know the total number of Indians who have settled down in Kenya and acquired property there.

Shri Anil K. Chanda: I am afraid, I have not got the information.

KHADI

***614. Dr. Ram Subhag Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether Government propose to award prizes to spinners and weavers of Khadi; and

(b) if so, what will be the total value of those prizes?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) Yes, Sir.

(b) Rs. 23,600/-.

श्री भक्त दर्शन : क्या मैं जान सकता हूं कि यह जो पुरस्कार दिये जायेंगे यह ऊन की कताई के सम्बन्ध में भी दिये जायेंगे या केवल सूत की कताई के लिये ही दिये जायेंगे ?

वाणिज्य मंत्री (श्री करमरकर) : खाली सूत की कताई के लिये दिये जायेंगे ।

सेठ गोविन्द दास : इन पुरस्कारों के सम्बन्ध में कि किस प्रकार से ये पुरस्कार दिये जायं, क्या अखिल भारतीय चरखा संघ से भी कोई राय मांगी ।

Shri T. T. Krishnamachari: Actually the entire thing is being done by the All-India Khadi and Village Industries Board.

PHYSICS AND SOILS LABORATORIES

*615. **Shri S. C. Samanta:** Will the Minister of **Irrigation and Power** be pleased to state:

(a) the main work done in the new Physics and Soils laboratories at Poona, in 1953;

(b) whether any research work was undertaken there;

(c) if so, what it is; and

(d) whether a photo elastic laboratory also is going to be started there?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) and (c). A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 21.]

(b) Yes, Sir.

(d) A Photoelastic Laboratory has already been set up in the Physics Division of the Central Water and Power Research Station, Poona.

Shri S. C. Samanta: May I know whether State Governments are allowed to utilise these laboratories for experimenting on things when they need?

Shri Hathi: Yes. The State Governments are also sending several problems which are being worked out in these laboratories.

Shri S. C. Samanta: May I know whether other new items are going to be taken up in the next year?

Shri Hathi: That will depend upon the nature of work that comes to the laboratory.

Shri S. C. Samanta: Which are the Ministries that are being benefited by this laboratory?

Shri Hathi: The Transport Ministry is one. Naturally, the Irrigation Ministry is there, and Natural Resources Ministry also.

TELEPHONE CABLE FACTORY

*616. **Shri K. P. Sinha:** Will the Minister of **Production** be pleased to state:

(a) whether the Telephone Cable Factory has reached the stage of production; and

(b) what would be the recurring expenditure over the establishment of this Factory?

The Minister of Production (Shri K. C. Reddy): (a) Several of the shops have already been commissioned for production and it is expected that the production of unarmoured cables will have begun by the end of the current month. The production of armoured cables is likely to commence in May or June.

(b) About Rupees Five lakhs per year as estimated at the end of 1950. A revised estimate is now being prepared.

Shri K. P. Sinha: Is it a fact that this factory was to start production in February this year, and if so, why this dalay?

Shri K. C. Reddy: There has not been much of delay. We are more or less keeping to the time schedule. At one stage we made attempts to see that the factory went into production in December last, but the requisite plant and machinery did not come as we expected. Therefore, there had been a put-off in the schedule by about two months.

Shri K. P. Sinha: May I know if any foreigner has got any interest in this factory?

Shri K. C. Reddy: No, Sir. Foreigners have no interest in the factory perhaps in the sense in which the hon. Member understands it. But, we are in collaboration with a foreign firm, the Standard telephone and Cable Co., who have given us the 'know-how' and are working with us in the establishment of this factory.

Shri Sarangadhar Das: May I know if this factory will be able to supply all the requirements of cables for the Posts and Telegraphs?

Shri K. C. Reddy: The factory is designed to manufacture only one type of cable. So far as that type is concerned, at the time of the project report, it was intended to supply all the requirements. Now the demand of the Posts and Telegraphs Department has increased. We are trying to see how best we could meet it.

PRIME MINISTER'S NATIONAL RELIEF FUND

*618. **Shri D. C. Sharma:** Will the **Prime Minister** be pleased to state:

(a) the total amount received towards the Prime Minister's National Relief Fund from the 1st December, 1953 to date;

(b) the purposes for which expenditure was incurred therefrom; and

(c) through what agencies this expenditure was incurred?

The Deputy Minister of External Affairs (Shri Anil K. Chanda): (a) The total contributions received in the Prime Minister's National Relief Fund (General and Food Relief accounts) from the 1st December 1953 to 28th February 1954, have amounted to Rs. 41,600-4-6.

(b) During the same period, a sum of Rs. 42,940-9-11 has been paid out of the Prime Minister's National Relief Fund, primarily for relief of displaced persons, relief of distress caused by natural calamities, etc.

(c) the normal practice is to place sums of money at the disposal of Governors and/or Chief Ministers of States for affording relief at their discretion. Some amounts are given to organisations engaged in relief work.

Shri D. C. Sharma: May I know if it is a permanent Fund or it is only meant for emergency purposes?

Shri Anil K. Chanda: The Fund has been in existence for some time past. I am not in a position to say how long it will continue.

Shrimati Kamlendu Mati Shah: Has all the money collected been spent?

Shri Anil K. Chanda: I am not in a position to say what amount still remains in the Fund. It is a running account. Money comes in, and goes out.

Shri Sadhan Gupta: May I know as to how much was realised from the shows put up by the ballet team that visited this country from the Soviet Union?

Shri Anil K. Chanda: I am afraid I have not got the information.

Shri D. C. Sharma: What was the highest amount of donation and the lowest amount of donation?

Shri Anil K. Chanda: I have not got that figure.

GOA

*619. **Shri Gidwani:** Will the **Prime Minister** be pleased to state whether the attention of Government has been drawn to a press Report to the effect that the Government of Goa is resorting to a legislative decree with the intention of compelling individuals to render services and surrender property to the State under certain circumstances?

The Deputy Minister of External Affairs (Shri Anil K. Chanda): Yes. By a decree published by the Portuguese Administration in Goa on the 24th December 1953, bringing into effect a law promulgated in Portugal in 1913, the local military authorities were granted powers to requisition property including residential buildings as well as transport vehicles, and to draft for compulsory service doctors, technicians, etc., whose services might be required in a national emergency.

Shri Gidwani: For what purposes are these things being used?

Shri Anil K. Chanda: This question should really be directed to the Portuguese Government. I think, to intimidate the people there.

Shri Gidwani: Are the Government aware that a Canadian ship loaded with arms arrived in Goa only a few days back?

Shri Anil K. Chanda: We have information that during the last few months,

there has been considerable reinforcement of military equipment in the so-called Portuguese territories in India.

Shri M. S. Gurupadaswamy: May I know whether it has come to the notice of the Government that recently a few people have been recruited by the Portuguese Government in Goa for doing espionage work in India, and especially there are certain ladies belonging to Goa who are working as nurses in India and doing espionage work?

Shri Anil K. Chanda: Of course there are nurses coming from Goa who are serving in India, but I would not say they are all engaged in espionage work.

INDIAN EXHIBITION IN CAIRO

*620. **Shri Radha Raman:** (a) Will the Minister of **Commerce and Industry** be pleased to state whether it is a fact that Government are planning to organise an exhibition at Cairo for the purpose of giving comprehensive trade publicity to Indian exportable goods?

(b) What are the various goods that would be exhibited?

(c) Is the exhibition being planned at the invitation of the Egyptian Government?

(d) What is the estimated expenditure for this exhibition?

(e) Do Government propose to have more such exhibitions abroad?

(f) If so, where and when?

The Minister of Commerce (Shri Karmarkar): (a) Yes, Sir.

(b) A statement is laid on the Table of the House. [*Placed in the Library. See* Library Index No. S-61/54.]

(c) No, Sir.

(d) Rs. 3 lakhs approximately.

(e) Yes, Sir.

(f) A statement is laid on the Table of the House. [*Placed in the Library. See* Library Index No. S-62/54.]

Shri Radha Raman: May I know if the Exhibition will also organise sale of goods, or will it be confined to their display only?

Shri Karmarkar: Normally exhibitions are meant for displaying with a view to trade promotion, but if the exhibitor so desires, after the exhibition is over, facilities are created to have sales also, but that is not the object of this Exhibition.

Shri Radha Raman: What are the dates of the Cairo Exhibition?

Shri Karmarkar: I can give my hon. friend the month. It is sometime in April.

Shrimati Ammu Swaminadhan: May I ask the Government who chooses the articles to be sent to such exhibitions, what agency selects the articles?

Shri Karmarkar: Normally we circularise the States and also trade and industry. They send their own exhibits. Regarding handicrafts, the All-India Handicrafts Board makes the selection.

Shri Radha Raman: May I know if the Cairo Exhibition will invite exhibits from countries all over the world or is it only confined to India?

Shri Karmarkar: It is purely an Indian exhibition.

EXPORT OF WOOL

*621. **Shri Hem Raj:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that the recent export policy has hit hard the traders of wool in Punjab;

(b) whether any representation was made by the traders of Fazilka to Government; and

(c) if so, what steps Government have taken to remedy their difficulties?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) and (b). Some representations that small traders have been deprived of a share in the export trade of wool have been made to Government.

(c) The policy for regulating exports of raw wool has been liberalised. Almost all woollen traders who had any

interest in the export trade, are now eligible to apply for quotas. A copy of the press note dated 28-1-1954 is placed below. [*See* Appendix III, annexure No. 22.]

Shri Hem Raj: May I know the number of traders who are entitled to export wool on the basis of the new policy and the number of traders who could export under the old policy of 1950?

Shri T. T. Krishnamachari: I have not got those details.

Shri Hem Raj: May I know if the present export of the Pashmina wool to America has ruined the cottage industry in the Kulu and Kangra valleys, and whether Government propose to limit such export?

Shri T. T. Krishnamachari: So far as wool that is exported is concerned, it is not graded and I am unable to give any information with regard to pashmina wool. Even in regard to rough grading of white wool and slightly discoloured wool, we find it very difficult to regulate the exports.

Shri Muniswamy: May I know whether there is any proposal to call a conference of all these traders to discuss the subject?

Shri T. T. Krishnamachari: Yes. We have had a conference of traders. The subject was discussed and some kind of quota was arrived at.

Shri Gidwani: Is it a fact that in that conference the office-bearers of the Wool Traders' Federation walked out against certain remarks of the Minister?

Shri T. T. Krishnamachari: Yes. The President of the Wool Traders' Federation, or whatever it is called, did go away.

Shri Gidwani: What was the reason for the walk-out?

Mr. Speaker: Order, order. Next question.

INTENSIVE EVALUATION OF COMMUNITY PROJECTS

***622. Shri K. C. Sodhia:** Will the Minister of **Planning** be pleased to state:

(a) the names of the Community Projects to which officers have been posted for intensive evaluation work;

(b) whether any reports have been received about the work done so far;

(c) if so, the main points contained in them; and

(d) whether these reports will be laid on the Table of the House?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 23.]

(b) Yes. Weekly, monthly as well as special reports are received from the evaluation centres.

(c) and (d). A consolidated annual report based on experience of the first year's study of the working of community projects is under preparation and is expected to be laid on the Table of the House later in this Session.

Shri K. C. Sodhia: Since when have these officers been appointed?

Shri Hathi: Since May 1953.

Shri K. C. Sodhia: Is it proposed to post them to every Community Project?

Shri Hathi: At present the work is to be carried on only in 19 places, but there may be an addition of one more.

Shri N. M. Lingam: Is not the non-utilisation of the resources allotted to the Community Development Scheme, as revealed in the Budget speech of the Finance Minister, a pointer to the existence of serious impediments in the way of achieving the very modest targets fixed in the scheme?

Shri Hathi: Will he repeat the question?

Mr. Speaker: Will he put his question in a shorter form asking for information and not opinion?

Shri N. M. Lingam: The Finance Minister in his speech the other day said there was a short-fall in the utilisation of the allotment made to the Community Projects. May I know the reasons for the short-fall and what steps Government propose to take to remove the defects in the organisation?

Shri Hathi: Initially there were some difficulties and delays in the allotment of sanctions. That is being looked into and steps are being taken to see that there are no delays in sanctioning.

Shri L. N. Mishra: May I know whether the allotment for any of these centres has been revised and reduced, and if so what is the effect of the same on the working of these centres?

Shri Hathi: For the community projects for which the sanction has already been made, the amount is not reduced.

COMMUNITY PROJECTS

*623. **Shri B. K. Das:** Will the Minister of **Planning** be pleased to state:

(a) the reasons for the reduction of the total cost of a Community Project from Rs. 65 lakhs to Rs. 45 lakhs;

(b) how this reduction has been adjusted in respect of various items of work; and

(c) whether the shares of the Central and State Governments have accordingly been adjusted; and

(d) if so, how?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) and (b). I invite attention to para. 22 of chapter XVof the First Five Year Plan.

(c) and (d). Do not arise.

Shri B. K. Das: At what time was this reduction given effect to?

Shri Hathi: From 1953 onwards.

Shri B. K. Das: Has it been given effect to in all the 53 projects that were started in 1952?

Shri Hathi: The amount allotted for each of these projects was not reduced, but the area which they are expected to cover has been increased, so that each project now covers a population of 2,90,000 instead of 2,00,000. The amount of Rs. 65 lakhs is now to be spent on an area having a population of 2,90,000.

KHADI

*624. **Shri Ram Dass:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the main recommendations made by the All-India Khadi and Village Industries Board for the promotion and encouragement of Khadi; and

(b) the steps that Government have taken to give better training in spinning so that better and more attractive Khadi is produced?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) and (b). A statement is placed on the Table of the House. [*See* Appendix III, annexure No. 24.]

Shri Ram Dass: From the statement it appears that Government are going to start sales emporia. May I know whether Punjab is one of these States?

Shri T. T. Krishnamachari: I could not catch the question.

Mr. Speaker: The Bombay Government are going to start some emporia. He wants to know whether the Punjab Government are also starting such emporia.

Shri T. T. Krishnamachari: I am afraid I would not be able to answer the question.

Shrimati Kamlendu Mati Shah: Has the khadi production increased or decreased since 1952?

Shri T. T. Krishnamachari: I am afraid I have not got any figures in regard to production, but in regard to sales, I find there has been an increase in 1953, of about Rs. 13 lakhs over the previous year.

SALT REFINERIES

*626. **Shri Raghavaiah:** (a) Will the Minister of **Production** be pleased to state the number of salt refineries in this country?

(b) How many are in Andhra?

The Parliamentary Secretary to the Minister of Production (Shri R. G. Dubey): (a) 31, as far as Government are aware.

(b) One, at Kanuparti in Guntur District.

Shri Raghavaiah: What is the installed capacity of this refinery, and what is the actual quantity refined there?

Shri R. G. Dubey: The capacity of this particular refinery is 35,000 maunds of refined salt, and 8,400 maunds of solar salt.

Shri Raghavaiah: May I know whether any subsidy is given to this refinery in Andhra?

Shri R. G. Dubey: No. No subsidy is given to any refinery.

Shri Raghavaiah: Are Government aware of the deteriorating condition of this particular refinery in Guntur district?

Shri R. G. Dubey: Yes. In the beginning, this particular refinery was allowed to function on the basis that they would manufacture only refined salt. Subsequently they placed their difficulties before the Salt Experts Committee. In the light of the recommendations of that Committee, Government have relaxed the licence conditions, and now they are allowed to manufacture both refined and solar salt.

Shri Raghavaiah: May I know whether in view of the fact that this particular refinery is not producing salt at present, Government propose to give these lands to some co-operative institutions and thus enable them to produce salt which could be refined in this refinery?

Shri R. G. Dubey: I could not answer such a question.

SILK INDUSTRY

*628. **Shri M. S. Gurupadaswamy:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the amount of grant given by the Central Silk Board for the development of silk industry during 1953-54; and

(b) how much has been sanctioned to the State of Mysore during this period?

The Minister of Commerce (Shri Karmarkar): (a) Rs. 11,68,545.

(b) Rs. 4,05,500.

Shri M. S. Gurupadaswamy: May I know, Sir, whether any amount lapsed because the Board did not utilise that amount this year?

Shri Karmarkar: This is one continuous process of assistance. Even if some amount has lapsed technically, it is made up...

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): The year has not ended.

Shri Karmarkar: I stand corrected. The year has not ended. So no amount can lapse now.

Shri M. S. Gurupadaswamy: May I know, Sir, how much amount is allotted for research work and how much for non-research work—for development purposes?

Shri Karmarkar: For Mysore I find regarding research, we have allotted Rs. 52,500 and the rest on the remaining items.

Shri Muniswamy: How many times did the Central Silk Board meet during 1952-53 and what was the business transacted?

Shri Karmarkar: The Board was reconstituted late in 1953. I could not give my friend the exact number of meetings that they held.

HANDLOOM CLOTH

*629. **Shri Sivamurthi Swami:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that a customs duty is levied on the export of handloom cloth;

(b) if so, whether any representation has been received for its revision; and

(c) if the reply to part (b) above be in the affirmative, whether Government will consider the question of revising the same?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) to (c). There is no export duty on handloom cloth.

Shri Sivamurthi Swami: May I know, Sir, how much handloom cloth has been exported this year?

Shri T. T. Krishnamachari: In 1953, 63·97 million yards.

Shri M. D. Ramasami: What are the other steps taken by Government to encourage the export of handloom cloth?

Shri T. T. Krishnamachari: I have been doing nothing else except answering questions on the steps taken by Government to encourage the handloom industry.

The Minister of Commerce (Shri Karmarkar): There is a pamphlet also.

तेल उद्योग

*६३०. **श्री रघुनाथ सिंह :** क्या **उत्पादन** मंत्री यह बताने की कृपा करेंगे कि :

(क) १९५३ में कितने भारतीयों को तेल उद्योग में अनुभव तथा विशेषज्ञान प्राप्त करने के लिए अमरीका भेजा गया; और

(ख) कितने लोगों को सरकारी सहायता दे कर भेजा गया है और कितने लोगों को स्टैन्डर्ड वैकुम आयल कम्पनी आफ इंडिया ने अपने खर्च पर भेजा है ?

The Minister of Production (Shri K. C. Reddy): (a) and (b). The number of Indians sent to America by the Standard-Vacuum Refining Company of India Ltd., Bombay till 31st January 1954, was 5. The expenses were borne by the Company.

The information regarding the number of trainees if any sent to America on Government stipends and by the S.V.O.C. on the (Distribution) side is being collected and will be laid on the Table of the House.

श्री रघुनाथ सिंह : इस में यू० पी० का भी कोई आदमी था ?

उत्पादन मंत्री के सभासचिव (श्री आर० जी० बुबे) : यह तो नहीं बताया जा सकता।

Shri K. K. Basu: May I know whether Government has any machinery to check what is the quality of the training imparted to these trainees selected by the Standard-Vacuum Oil Company? Or is it entirely the Company's concern?

Shri K. C. Reddy: No, Sir. The Oil Company concerned has prescribed its own requirements and it selects the persons who have to be sent abroad for training. Government take care to see that as many Indians as possible are sent against the background of the requirements of the Company.

Shri K. K. Basu: What about the quality of training?

SINDRI FERTILIZER PLANT

*631. **Shri Tulsidas:** Will the Minister of **Production** be pleased to state:

(a) what is the estimated life of the fertilizer plant at Sindri; and

(b) whether depreciation thereon is calculated on the estimated life or the replacement value of the plant?

The Minister of Production (Shri K. C. Reddy): (a) and (b). The depreciation on the plant is calculated on the basis of estimated life, which is ten years.

Shri Tulsidas: May I know, Sir, whether the Company has made sufficient profits to enable it to set aside the maximum amount of normal depreciation as well as initial and extra depreciation allowed under the income-tax law?

Shri K. C. Reddy: Yes, Sir. During the first year, the necessary amount of depreciation has been made. That the hon. Member can see from the published annual accounts.

Mr. Speaker: The point, as I understand, is whether the Company has made sufficient profits out of which depreciation funds can be set aside.

Shri K. C. Reddy: Yes, Sir. The answer was 'yes'. Necessary depreciation has been made.

Shri Tulsidas: What is the maximum amount of normal depreciation and also initial and extra depreciation that can be set aside, and what are the corresponding amounts actually set aside?

Shri K. C. Reddy: I would require notice.

SALES TAX ON HANDLOOM CLOTH

***632. Shri L. Jogeswar Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the names of the States which have already given exemption from sales tax to handloom cloth and the names of the States that have not done so; and

(b) what steps have been taken so far towards uniformity in this respect?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 25.]

I would like to add to that statement that as seen in the papers—the Madras Government are seeking to exempt handloom cloth from sales tax.

(b) Central Government have requested all the State Governments to grant *exemption to handloom* cloth from sales tax.

Shri L. Jogeswar Singh: May I know what will be the total fall in revenue as a result of the exemption to handloom cloth from sales tax? What will be the increase of production as a result of such exemption?

Shri T. T. Krishnamachari: If I understand the hon. Member to ask what is the amount realised by way of sales tax, I am afraid, I have not got any statistics in that regard.

Shri Sivamurthi Swami: May I know the date on which the Central Government requested the State Governments to exempt handloom cloth from sales tax?

Shri T. T. Krishnamachari: I cannot give the exact date; it was sometime back, when we constituted the Handloom Board. We had written sometime towards the end of last year.

MUSLIMS FROM PAKISTAN

***633. Shri M. L. Agrawal:** (a) Will the **Prime Minister** be pleased to state how many Muslims from Pakistan came to India on temporary permits during 1951, 1952 and 1953?

(b) How many such persons overstayed the period of their permits?

The Deputy Minister of External Affairs (Shri Anil K. Chanda): (a) and (b). The information is being collected and will be laid on the Table of the House.

INDIAN COFFEE BOARD EMPLOYEES

***636. Dr. Rama Rao:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that the employees of the Indian Coffee Board do not get house rent and city compensatory allowances as recommended by the Central Pay Commission; and

(b) whether Government propose to take any action in the matter?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) A statement is laid on the Table

of the House. [*See* Appendix III, annexure No. 26.]

(b) This is a matter for the Indian Coffee Board to decide.

Dr. Rama Rao: May I know whether the Government has received any representation that these allowances are not being given to the employees?

Shri T. T. Krishnamachari: I would not say a specific representation on these terms has been received. We had a lot of representations in regard to the differences between the Coffee Board and the employees, both in regard to recognition of the Unions and with regard to pay and other allowances.

Dr. Rama Rao: May I know what steps Government has taken at least in regard to pay and allowances?

Shri T. T. Krishnamachari: Unfortunately, we are in a somewhat difficult position. The Coffee Board is, to a very large extent, autonomous. In certain matters we have a veto; that is, if they take a particular action, we can veto the action. But, I may tell my hon. friend that this is a matter which has been worrying me. When I took up this matter with the officers of the Board, I found that the Board has recommended the closing down of certain coffee shops. On the whole, the matter has to be reviewed over again. I recognise, in all conscience, that the salaries paid are very low. I have myself gone into several of these coffee shops and made enquiries and I am quite alive to the fact that their pay and prospects ought to be better. But, subject to the powers that I have, I am trying my best but, I am afraid, it will take some time to see any mistake.

Shri Nanadas: May I know the number of employees working under this Board?

Shri T. T. Krishnamachari: Since the Board is not functioning under Government, I cannot give these details, unless a specific question is put down.

Shri A. M. Thomas: Similar complaints are forthcoming from the employees under other Boards. May I enquire whether it is the intention of Government to lay down a uniform policy which is to be followed by all the Commodity Boards in this respect?

Shri T. T. Krishnamachari: I generally do not favour a procrustean bed.

OVERSEAS CHARGE ON PETROL

*637. **Shri Bishwa Nath Roy:** (a) Will the Minister of **Works, Housing and Supply** be pleased to state whether it is a fact that all the Companies (B.O.C., S.V.O.C. and Caltex) charge two annas as overseas charge on every gallon of petrol?

(b) If so, is it a fact that they levy this charge also on power alcohol which is supplied to them in India for mixing with petrol for consumption in this country?

The Minister of Works, Housing and Supply (Sardar Swaran Singh): (a) and (b). I place on the Table of the House a statement explaining the position in this behalf. [*See* Appendix III, annexure No. 27.]

Shri Bishwa Nath Roy: May I know whether the Government propose to discontinue the system of overseas charge on power alcohol produced in India?

Sardar Swaran Singh: As I have explained in the statement, the whole of the surcharge is levied as a temporary measure and we would like to do away with it as soon as supplies from the normal sources are restored.

Shri Sinhasan Singh: May I know the total productive capacity of the distilleries in India that produce power alcohol?

Sardar Swaran Singh: No, Sir; that does not arise out of this and I would require notice.

Shri Bishwa Nath Roy: May I know the amount paid as overseas charges on power alcohol produced in India?

Sardar Swaran Singh: No, Sir; apparently, that would be giving information on the same question about which I asked for notice, because if the quantity is known, the surcharge can be calculated.

KUMBH MELA

*638. **Shri R. N. Singh:** Will the Minister of **Information and Broadcasting** be pleased to state:

(a) how many hours after the Kumbh Mela tragedy, the news was broadcast by the A.I.R.;

(b) the source from which the news was received; and

(c) whether the facts of the tragedy were verified before broadcasting the same?

The Minister of Information and Broadcasting (Dr. Keskar): (a) The first news was broadcast nearly four hours after the actual occurrence. This was a cursory message and gave no details. A further message was received here at 4 P.M. which gave some details. Some further details were received by another telephone message at 6-40 P.M.

(b) The A.I.R. Correspondent in Uttar Pradesh.

(c) It was not necessary to verify facts because the news came from our own Correspondent.

I might add that as far as the question of agency messages is concerned, I might inform the hon. Member that the first P.T.I. message was received at 3-28 p.m. and the second at 5-59 p.m.

श्री आर० एन० सिंह : क्या यह सही नहीं है कि उत्तर प्रदेश के एडवोकेट जनरल के कुम्भ दुर्घटना में दबने की खबर फैली थी और उस के बाद तुरन्त यह मालूम हुआ कि यह बात गलत है । उस पर उत्तर प्रदेश के चीफ मंत्री जी उन्हें दुर्घटना से बच जाने के उपलक्ष में बधाई देने के लिए उन के निवास-स्थान पर गये ?

डा० केसकर : मुझ से इस का कुछ ताल्लुक नहीं है । जो सवाल है वह उत्तर प्रदेश के मुख्य मंत्री और वहां के गवर्नर से ताल्लुक रख सकता है ।

SALT

*639. **Shri Morarka:** Will the Minister of **Production** be pleased to state:

(a) whether it is a fact that the Sambhar salt merchants have been displaced since the 28th April, 1950 when Government started sending salt supplies to the nominees appointed by the State Governments on their direct indenting;

(b) whether Government are aware of the unemployment caused thereby and the distress prevailing in the town of Sambhar Lake; and

(c) the steps that Government propose to take in the matter?

The Parliamentary Secretary to the Minister of Production (Shri R. G. Dubey): (a) and (b). The system of direct indenting for salt by the nominees appointed by the State Governments, which came into force from the 28th April, 1950, has caused some distress to the Sambhar salt traders. It is, however, reported that the nominees appointed by the State Governments normally utilise the services of the Sambhar traders for placing indents for salt on their behalf for which they get a commission.

(c) A quota of 2 lakh maunds of Sambhar salt for supply to Bihar was allotted to the Sambhar traders in 1953. A similar quota is proposed to be allotted to the traders for supply to Bihar during 1954, besides another quota of 2·75 lakh maunds for supply to Rajasthan, subject to the concurrence of the State Governments concerned. The question of the abolition or modification of the nominee System so as to allow the import of 'free' salt into the States through the Sambhar salt traders is now under consideration. The State Governments concerned have been addressed in the matter.

Shri Morarka: May I know what benefits, if any, have accrued to the consumer by the new arrangements?

Shri R. G. Dubey: It so happened that before the war, the salt trade was entirely in the hands of the Sambhar traders. In the course of the war, abnormal conditions were created and the Sambhar traders took advantage of the position, which resulted in a loss to the consumers. It is since then that these restrictions came into being.

Shri Morarka: My question is not answered yet. What benefits, if any, have accrued to the consumer by the change of method?

Shri R. G. Dubey: I said that at that time some priority was granted to the nominees of State Governments so far as supplies of salt were concerned, with the result that supplies to the State Governments were assured. This was the main benefit.

Shri Morarka: Is the Government considering the question of employing the Sambhar Lake merchants in the Salt Department?

Shri R. G. Dubey That question is not before us, but I can say that in the year 1954 also some further quota is allotted to the Sambhar traders to be supplied to Bihar. Besides, the recommendations of the Commodity Control Committee might ultimately benefit the Sambhar traders.

Shri Radhelal Vyas: May I know the amount of commission that is being paid to the Sambhar merchants to act as middlemen between the Salt Departments of the States and the manufacturers?

Shri R. G. Dubey: In the beginning the commission was one anna six pies per maund, and subsequently when the duty was abolished, it was reduced to one anna per maund.

Shri K. K. Basu: May I know the extent of unemployment and distress prevailing in the area of Sambhar Lake? The answer to part (b) is not complete.

Shri R. G. Dubey: There was no unemployment as such. When there was a change in the method, the salt traders organised themselves into companies, and the traders were registered by the Salt Department and there were certain arrangements between the despatching agencies and the nominees of the States.

Utilisation of Indus Waters

*640. **Sardar Hukam Singh:** (a) Will the Minister of **Irrigation and Power** be pleased to state whether the tripartite talks in Washington on the Indus water basin have made any progress?

(b) What are the issues that are being discussed for settlement?

The Minister of Planning and Irrigation and Power (Shri Nanda): (a) The hon. Member is perhaps referring to the talks at the meeting of the Indus Basin Working Party being held in Washington from September 8, 1953. If so, the talks are still in progress and have not concluded.

(b) No precise issues were set out—the function of the Working Party were stated to be "to work out, and the ultimate objective to cary out, specific engineering measures by which the supplies effectively available to each country will be increased substantially beyond what they have ever been."

Sardar Hukam Singh: How were these talks initiated and how did the World Bank come into the picture?

Shri Nanda: I will say what happened. In August 1951 Mr. David E. Lilienthal, who was at one time Chairman of the T.V.A., expressed certain views in an article published in an American magazine regarding the best way of settling the canal water dispute. He urged that a co-operative approach on a purely engineering basis would place at the disposal of both countries much larger quantities of water than might be

possible by any other means. This idea was taken up by Mr. Black, President of the International Bank for Reconstruction and Development. He wrote to the Prime Ministers of India and Pakistan. The suggestion was accepted by both and as a result this working party was set up.

Sardar Hukam Singh: May I know whether any scope for discussion has been prescribed by any authority subsequent to the original suggestion, or whether there are any terms of reference now agreed upon?

Shri Nanda: There were no rigid terms of reference. There was a broad basis on which the engineers were to meet. It was that the water resources of the Indus basin should be co-operatively developed and used in such a manner as to most effectively promote the economic development of the Indus basin viewed as a whole unit and that the problem of the development and use of the Indus basin water resources should be solved on a functional and not on a political plane.

Sardar A. S. Saigal: May I know what is the object of the meeting now being held in Washington?

Shri Nanda: According to an agreement which was reached at Delhi in January 1953 the object of the Washington meeting is to work out a comprehensive plan and the preliminary cost estimates and construction schedule of engineering works included in the comprehensive plan.

श्री एम० एल० द्विवेदी : मैं यह जानना चाहता हूं कि बैंक का इस सम्बन्ध में क्या भाग है और अब तक जो तीन मीटिंगें हुई हैं, उन में क्या प्रगति हुई है ?

श्री नन्दा : बैंक का एक प्रतिनिधि है, वह इंजीनियर है, जिस का मतलब सिर्फ़ यही है कि वह दोनों पार्टियों को सहायता दे और अपने व्यूज़, जब भी मौक़ा हो, प्रकट करे ।

INSTALLED CAPACITY OF INDUSTRIES

***641. Shri Nanadas:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the total installed capacity in the country for the manufacture of pipes and tubes, machine screws, razor blades, diesel engines, carding engines and malleable iron castings; and

(b) the percentage of the capacity lying idle at present and the reasons therefor?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) and (b). The total installed capacity as claimed by the industry is given in the statement attached. [*See* Appendix III, annexure No. 28.]

It is not possible to assess correctly the idle capacity in these industries There may be some idle capacity in certain sectors. This idle capacity can be utilised with the addition of certain plant and machinery. Government have already appointed an Engineering Capacity Survey Committee to assess the idle capacity in certain industries with a view to utilising such capacity to the fullest extent possible.

Shri Nanadas: May I know how far the industries mentioned in the statement are able to meet the demands of the country?

Shri T. T. Krishnamachari: Six industries are mentioned in the statement, and there is no fundamental basis on which they could all be related. I am afraid it is beyond my capacity to answer this question on the spur of the moment.

Shri Nanadas: In regard to item 1 of the statement, namely, the steel pipes and tubes industry, it has been stated that its installed capacity is 15,000 tons. May I know what steps Government are taking to expand and develop this industry so as to meet the country's requirements?

Shri T. T. Krishnamachari: Steel pipes and tubes are of different sizes and different categories, and are put

to different uses. We have a scheme before us which I believe. It is being implemented. According to it, Tatas and Stewarts and Lloyds would be putting up a tube plant. We have also other schemes like cycle manufacturers starting the manufacture of tubes of a different category. We have several schemes in this regard. It is not that we are aiming at self-sufficiency—we are only aiming at self-reliance.

Shri Sarangadhar Das: May I know if Kalinga Tubes is included in this scheme?

Shri T. T. Krishnamachari: Yes, in the sense that it will be one of those factories which will manufacture tubes, but it is not included in this statement because it does not manufacture anything yet.

RADIO LICENCES

*642. **Shri S. C. Samanta:** Will the Minister of **Information and Broadcasting** be pleased to state:

(a) the steps that were taken to increase the number of radio licences in 1953 in India; and

(b) the proposed steps for the next year?

The Minister of Information and Broadcasting (Dr. Keskar): (a) The following steps were taken:—

(i) An intensive anti-piracy campaign was conducted by the Posts and Telegraphs Directorate;

(ii) Extension of broadcasting services;

(iii) Improvement in the quality of service.

(b) Similar measures will be taken this year also. In addition, it is proposed to launch a publicity campaign designed to make the public more radio-minded. The question of making cheaper radio sets will also be examined.

Shri S. C. Samanta: Is it not a fact that parts of imported radio sets when assembled here into a set fetch a smaller price than imported sets; and if so, what steps do Government intend to take to supply cheap radio sets so that the number of licences may increase?

Dr. Keskar: The relationship of cheaper sets to the sets that are licensed is evident, and Government is aware that it is necessary to make as cheap sets as possible available to the public. This question is being examined. We have not been able to formulate any particular policy regarding it.

Shri S. C. Samanta: Is it not a fact that the Ministry examined it by importing parts and assembling them into a set; and if so, do Government intend to start an assemblage factory themselves or do they want to encourage other factories to do so?

Dr. Keskar: It is not a fact that we imported spare parts in large numbers in order to assemble them into sets. The Research Department of the Ministry did get separate parts, which they assembled into radio sets, and they found that sets can be assembled together and sold at a very cheap price. As to the question whether Government should set up any factory or associate itself with private producers so that cheaper sets are made available, I would not be able to give any definite answer at this time.

HANDLOOM INDUSTRY

*643. **Shri K. P. Sinha:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the total amount sanctioned by the Union Government on the schemes for the development of handloom industry, submitted by the State Governments during the months of September to December, 1953;

(b) whether all the States concerned have submitted their handloom development schemes; and

(c) the total quantity of handloom goods exported last year i.e. till the month of December, 1953?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) and (c). A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 29.]

(b) Schemes have been received from all the States excepting Kutch and Vindhya Pradesh.

Shri K. P. Sinha: May I know whether the Central Marketing Organisation has been established; and if so, at what place and when has it been established?

Shri T. T. Krishnamachari: The Central Marketing Organisation has been set up, and for the time being its headquarters is in Madras.

WRITTEN ANSWERS TO QUESTIONS

Sulphur Production

***610. Shrimati Renu Chakravartty:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether the attention of Government has been drawn to the plea of the Indian Institute of Chemical Engineers for organising indigenous production of sulphur as a national industry and for Government subsidy to that end; and

(b) if so, what decision Government have taken thereon?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) Yes, Sir.

(b) No decision has yet been taken by Government. The question of exploiting indigenous sulphur bearing minerals, such as gypsum and iron pyrites, for the production of sulphur/sulphuric acid has been for some time engaging the attention of Government. Schemes for the manufacture of sulphur/sulphuric acid from these minerals are under examination.

गंगा नगर में भूमि की बांट

*६१३. **श्री पी० एल० बारूपाल :** क्या **पनर्वास** मंत्री यह बताने की कृपा करेंगे कि :

(क) जिला श्री गंगा नगर में ऐसे व्यक्तियों की संख्या कितनी है जिन के लिए की गई भूमि की बांट पिछले तीन महीनों में रद्द कर दी गई है;

(ख) ऐसे लोगों की संख्या कितनी है जिन के पास पाकिस्तान में भूमि नहीं थी और यहां उन के लिए की गई भूमि की बाट उपरोक्त काल में रद्द कर दी गई;

(ग) इन लोगों में अनुसूचित जाति के कितनें लोग हैं; और

(घ) भूमि की बांट रद्द किये जाने के क्या कारण थे ?

The Minister of Rehabilitation (Shri A. P. Jain): (a) 1054.

(b) 740.

(c) 214.

(d) The allotments were cancelled for one or more of the following reasons:

(i) The allottees were local men and not displaced persons.

(ii) the allottees were not self cultivators.

(iii) They were absent from the village of allotment or the District.

(iv) The temporary allotments were obtained fraudulently in false names and were bogus.

(v) The beneficiaries were persons other than the real allottees.

(vi) The Claimant displaced persons held double allotments in Punjab/PEPSU as well as in Ganganagar District.

COAL AND CEMENT FOR NORTH BIHAR

*617. **Pandit D. N. Tiwary:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether Government are aware that due to very heavy floods last year in North Bihar, there has been a great demand for coal and cement in the flood-affected areas;

(b) whether any extra allotment of coal and cement was made for Bihar last year; and

(c) the total allotment of these commodities for Bihar in the third and fourth quarters of 1953-54?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) No specific demand for coal or cement for the flood-affected areas has been received from the State Government. The State Government have, however, been asking for increased allotments of cement.

(b) Yes, Sir.

(c) 218,284 tons of coal and 73,600 tons of cement.

HIRAKUD PROJECT

*625. **Shri R. N. S. Deo:** Will the Minister of **Irrigation and Power** be pleased to refer to Starred Question No. 1332-A asked on 23rd December, 1953 regarding the survey of the direct benefits of the Hirakud Project and state what the "other matters", referred to in answer to parts (a) and (b) of the above question were?

The Deputy Minister of Irrigation and Power (Shri Hathi): The "other matters" mentioned in my reply on the 23rd December 1953 related to crop pattern and crop rotation, improvment of soil use of fertilisers, carrying out experiments for growing crops and demonstration farms.

CRUDE OIL

*627. **Shri G. P. Sinha:** Will the Minister of **Production** be pleased to state the total amount of crude oil imported into India?

The Minister of Production (Shri K. C. Reddy): No crude oil is at present being imported into India.

C.P.W.D. STAFF

*634. **Shri T. B. Vittal Rao:** Will the Minister of **Works, Housing and Supply** be pleased to state:

(a) whether it is a fact that workcharged staff of the Central Public Works Department are sent on official duty from one station to another like other Central Government employees;

(b) whether they are paid any halting or daily allowance when they remain out of station, and if so, what;

(c) whether they are paid only III class railway fare irrespective of their being class III or class IV employees;

(d) if so, the reasons therefor; and

(e) whether Government propose to pay daily allowance and appropriate railway fare to the workcharged staff also?

The Minister of Works, Housing and Supply (Sardar Swaran Singh): (a) Yes, Sir; but only occasionally.

(b) No such allowance is paid.

(c) and (d). Yes, Sir; because the workcharged staff are not classified into Class III and Class IV excepting for purposes of allotment of residential accommodation, gratuity, leave and pension.

(e) The matter is under consideration.

ELECTRICITY FOR NEW QUARTERS IN DELHI

*635. **Shri P. N. Rajabhoj:** Will the Minister of **Works, Housing and Supply** be pleased to refer to starred question No. 610 answered on the 9th September, 1953 and state when the new localities recently constructed for peons, daftaries and clerks in Delhi and New Delhi will be electrified?

The Minister of Works, Housing and Supply (Sardar Swaran Singh): All quarters built for Clerks have been electrified. In the case of quarters for peons and daftaries orders have

been issued to take in hand the electrification of 2500 quarters and similar orders in regard to the rest of such quarters will be issued early in the new financial year.

UNEMPLOYMENT SURVEY

*644. **Shri D. C. Sharma:** Will the Minister of **Planning** be pleased to state in how many places in the Punjab, Sample Survey of unemployment has been carried out?

The Minister of Planning and Irrigation and Power (Shri Nanda): The Sample study of unemployment in Punjab conducted by the National Sample Survey relates to Amritsar.

FIELD PUBLICITY UNIT

*645. **Shri K. C. Sodhia:** Will the Minister of **Information and Broadcasting** be pleased to state:

(a) the total number of field publicity units working at present;

(b) the total number of field publicity vans working with them;

(c) the number of Community Projects visited by these units; and

(d) the total expenditure incurred on these during the current year?

The Minister of Information and Broadcasting (Dr. Keskar): (a) and (b). Provision for the creation of field publicity units was voted in September 1953; 32 units are at present being prepared. They are expected to begin work in different areas as soon as the vans have been fully supplied and equipped. In the meantime, a unit has visited the northern region of Punjab and PEPSU. Another unit is shortly expected to visit the southern region. Seven audiovisual centres were opened in Kumbh mela to explain the Five Year Plan through documentary films community listening sets, and posters

(c) Community Project areas have separate arrangements under which a cinema unit is provided for each block.

(d) The total expenditure incurred during the current financial year will be known only after the close of the financial year

SINDHRI FERTILIZERS

*646. **Shrimati Renu Chakravartty:** Will the Minister of **Production** be pleased to state:

(a) whether it is a fact that the Government allows a profit of Rs. 38 per ton of fertilizer produced by the Sindhri Fertilizer Factory; and

(b) if so, the reasons therefor?

The Minister of Production (Shri K. C. Reddy): (a) No.

(b) Does not arise.

कुम्भ मेले में प्रचार केन्द्र

*६४७. **श्री रघुनाथ सिंह :** क्या सूचना तथा प्रसारण मंत्री यह बताने की कृपा करेंगे कि :

(क) केन्द्रीय सरकार ने कुम्भ मेले के स्थान पर कितने प्रचार केन्द्र खोले;

(ख) इन प्रचार केन्द्रों पर कितना खर्च किया गया; और

(ग) वहां केन्द्रीय सरकार के कितने प्रकाशन बेचे गए ?

The Minister of Information and Broadcasting (Dr. Keskar): (a) For publicity for the Five-Year Plan, a number of centres were opened in the Kumbh mela grounds where arrangements were made to show documentary films and to listen to special broadcast programmes from All India Radio, Allahabad.

(b) Exact figures of expenditure are not yet available; but it is expected that the expenditure will not exceed Rs. 30,000.

(c) About 4,000 publications of the Publications Division were sold.

D.V.C.

*648. **Shri Tulsidas:** (a) Will the Minister of **Irrigation and Power** be pleased to state whether under the D.V.C. Scheme earth-work, construc-

tion of dams etc., cannot be done by contract system?

(b) What are the advantages in having the work done departmentally?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) DVC work is done both by contractors and departmentally, according to the exigencies of the circumstances, in order to achieve the best overall results.

(b) Departmental construction is advantageous when qualified contractors are few and not readily available to undertake it at reasonable rates. It also allows of greater freedom economy in respect of changes in design and specifications, when called for in the course of actual construction.

DISPLACED PERSONS TOWNSHIP AND COLONIES

*649. **Shri Gidwani:** Will the Minister of **Rehabilitation** be pleased to state:

(a) whether it is a fact that the Government had issued instructions to grant remissions of rent to poor displaced persons in displaced persons townships and colonies;

(b) whether applications for remission of rent are pending disposal for over two years in Ulhasnagar Township;

(c) if so, the reasons therefor; and

(d) what percentage the total remission in that township bears to the total rental of the township?

The Minister of Rehabilitation (Shri A. P. Jain): (a) In April, 1952 liberal remissions of rent were granted to displaced persons in the rehabilitation colonies of Bombay State. In the case of old un-partitioned barracks arrears of rent were remitted in full and in the case of partitioned barracks this facility was given in hard cases. Rents of newly constructed tenements were fixed on the basis of a new formula and the reduction in rent was allowed with retrospective effect.

(b) and (c). The applications originally filed by displaced persons of Ulhasnagar were incorrect and incomplete, and they had to be returned to the applicants for correction and completion. Their scrutiny has now been completed by the State Government and the amount of remission to be granted in each case is being determined by them.

(d) The total amount of rent remissions granted in Ulhasnagar is not available. Recovery of rent, however, has been very poor and upto 30th June, 1953 out of a total demand of Rs. 8.55 lakhs only Rs. 1.26 lakhs were recovered.

FIRE IN NORTH BLOCK

*650. **Shri M. S. Gurupadaswamy:**
Dr. Ram Subhag Singh:
Shri Nageshwar Prasad Sinha:

Will the Minister of **Works, Housing and Supply** be pleased to state:

(a) the causes of the fire that broke out in the North Block of the Central Secretariat on the 16th February, 1954; and

(b) the extent of resultant damages to property?

The Minister of Works, Housing and Supply (Sardar Swaran Singh): (a) the cause of the fire is under investigation.

(b) Three rooms which had been formed by enclosing verandah spaces have been completely burnt out. Two pillars and the domes and arches in two other rooms adjacent to the affected rooms collapsed and seventeen pillars have developed cracks. The furniture and records in these rooms have also been burnt.

LOANS TO DISPLACED PERSONS

*651. **Shri M. L. Agrawal:** Will the Minister of **Rehabilitation** be pleased to state whether there is any provision for granting loans for educational purposes to displaced persons having verified claims?

The Deputy Minister of Rehabilitation (Shri J. K. Bhonsle): No.

PRIVATE SECTOR IN INDUSTRY

*652. **Sardar Hukam Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that the Federation of Indian Chambers of Commerce and Industry submitted a memorandum to him "setting forth in detail the nature of impediments that stand in the way of industrial progress in the country and the reasons why the private sector could not play its due role in the mixed economy"; and

(b) if so, whether Government have considered all the points mentioned therein?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) and (b). I have seen the memorandum from the Federation of Indian Chambers of Commerce and Industry entitled "Implements to Industrial Progress".

The hon. Member would realise that the memorandum covers a wide field and deals with various subjects from the point of view of private enterprise. It is the contention of Government that Government is doing all that it can possibly do to help private enterprise within the scope of its policy and the limits of its ability to help. The bulk of the memorandum deals with labour policy and welfare legislation in regard to which, while Government recognises the possibility of a different point of view from that indicated by Government's policy, Government's responsibility is to hold the scales even between the various interests, subject to its desire for progressive increase in the welfare of the worker.

Other questions like anomalies in sales tax and transport difficulties are constantly engaging the attention of Government

JUTE, SUGAR AND TEA INDUSTRY

*653. **Shri Nanadas:** Will the Minister of **Commerce and Industry** be pleased to state.

(a) the total installed capacity in the country for the manufacture of machinery for the jute, sugar and tea industries and the percentage of the capacity lying unutilised at present; and

(b) what are the reasons for the unused capacity?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) and (b). There are various items of machinery in each category. The installed capacity for these items as claimed by the industry is given in the statement attached. [*See* Appendix III, annexure No. 30.] It is not possible to assess correctly the idle capacity in these industries. For instance, there may be some capacity lying idle in certain sectors. This idle capacity can be used if additional plant and machinery are installed. The Engineering Capacity Survey Committee already appointed by Government is investigating this problem, to enable Government to ensure that the capacity available in the country is utilised to the fullest extent possible.

A.I.R. PROGRAMME

*654. **Shri S. C. Samanta:** Will the Minister of **Information and Broadcasting** be pleased to state:

(a) whether information on the number of radio listeners in the villages and their reactions to the programmes were collected in 1953; and

(b) if so, what are the results?

The Minister of Information and Broadcating (Dr. Keskar): (a) Information regarding the number of radio listeners in villages was collected in 1953 only in Madras and Bombay and, partly, in Uttar Pradesh. Reactions of village listeners to programmes broadcast were, however, not ascertained. A systematic study is now being made to find out village listeners' reactions to rural broadcasts with a view to assessing their effectiveness.

(b) From the survey made in the Madras State, it may be assumed that about 1.2 lakh villagers listen to rural programmes in that State every day.

As stated in part (a), reactions of village listeners have not yet been ascertained.

BOKARO ELECTRICITY

*655. **Shrimati Renu Chakravartty:** Will the Minister of **Irrigation and Power** be pleased to state:

(a) whether it is a fact that Government sells electricity produced at Bokaro at six annas per unit while the production cost is only 0·46 annas per unit; and

(b) if so, what are the reasons for it?

The Minister of Planning and Irrigation and Power (Shri Nanda): (a) The average rate at which DVC sells Bokaro power to bulk consumers is 0·98 annas per KWH against expected generation cost of 0.42 annas per KWH. The Government of India do not sell Bokaro electricity

(b) Does not arise.

UNEMPLOYMENT IN RAJASTHAN

92. **Shri Karni Singhji:** Will the Minister of **Planning** be pleased to state:

(a) whether the Government of India have addressed the Rajasthan Government to furnish them with an appreciation of the problem of unemployment in that State; and

(b) if so, whether the report received thereon will be placed on the Table of the House?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) The Rajasthan Government was asked for an appreciation on the unemployment situation in the State. No such appreciation was received from the State Government but certain schemes for expanding rural and urban employment were proposed to the Planning Commission.

(b) Does not arise.

EVACUEE PROPERTY RESTORATION

93. **Shri M. L. Agrawal:** Will the Minister of **Rehabilitation** be pleased to state:

(a) the number of Restoration applications under Section 16 of the Administration of Evacuee Property Act made in U.P. to the Custodian of Evacuee Property, U.P. for restoration after certificates had been obtained from the Central Government in 1950, 1951, 1952, and 1953 respectively;

(b) how many such applications were decided finally in each of the above years;

(c) the value of property involved in such applications;

(d) the number of such applications which were (i) allowed and (ii) rejected;

(e) the grounds of rejection in cases of part (d) (ii) above;

(f) the causes of delay in deciding these applications;

(g) in how many cases the certificate provided under section 16 were refused and in how many granted; and

(h) the causes for the refusal of the certificate?

The Minister of Rehabilitation (Shri A. P. Jain): (a) to (h). The information is being collected and will be placed on the Table of the House.

BETEL-NUTS

94. **Shri N. B. Chowdhury:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the quantity of betelnuts imported into India during the current financial year; and

(b) what quantity of illegal import has been detected and from which countries?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) 1953-54 (April, '53 to December '53).—5,71,738 cwts.

(b) Information is being obtained and will be laid on the Table of the House.

CONTROLLED REGISTERED STOCK-HOLDERS ASSOCIATION, BOMBAY

95. **Sardar Hukam Singh:** (a) Will the Minister of **Commerce and Industry** be pleased to state whether it is a fact that Government have terminated the agreement with the Controlled Registered Stock-holders Association, Bombay, from 1st February, 1954?

(b) What were the terms of this agreement?

(c) What are the terms of the proposed new arrangement?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) Yes, Sir.

(b) A copy of the agreement is attached. [*See* Appendix III, annexure No. 31.]

(c) There is another controlled stockholder already functioning at Bombay, *viz.*, the Tata Iron and Steel Co. This Firm has been asked to stock more material, so that the consumers who used to draw supplies from the Association in the past may not be put to any difficulty.

FARIDABAD DEVELOPMENT BOARD

96. **Shri V. P. Nayar:** (a) Will the Minister of **Rehabilitation** be pleased to state whether there is any annual profit and loss statement for the various institutions, working on a commercial basis in Faridabad, under the Faridabad Development Board?

(b) If so, will a copy of each such statement for 1952 and 1953, be laid on the Table of the House?

The Minister of Rehabilitation (Shri A. P. Jain): (a) and (b). Certain industrial institutions were started in Faridabad to provide employment to the displaced persons living there. These institutions are now being reorganised and are proposed to be run on commercial basis.

DIESEL ENGINES MANUFACTURE IN FARIDABAD

97. **Shri V. P. Nayar:** Will the Minister of **Rehabilitation** be pleased to state:

(a) whether it is a fact that in the last quarter of 1953, the Diesel Engine Section of the Technical Institute, Faridabad, has not been working to capacity;

(b) if so, the reasons therefor; and

(c) the number of Diesel Engines manufactured in October, November and December 1953?

The Minister of Rehabilitation (Shri A. P. Jain): (a) Yes.

(b) This was due to the general strike by workers in August-September, 1953 and its after effects.

(c) There was no production in October, but 45 engines were manufactured in November and December, 1953.

FARIDABAD TECHNICAL INSTITUTE

98. **Shri V. P. Nayar:** Will the Minister of **Rehabilitation** be pleased to state:

(a) whether it is a fact that workers in the Faridabad Technical Institute remained idle for some time after the strike in the month of October, 1953;

(b) if so, the reasons therefor; and

(c) the number of articles, itemwise, made in the Institute from 1st November, 1953 to 31st December, 1953?

The Minister of Rehabilitation (Shri A. P. Jain): (a) to (c). The shifting of the Technical Institute from its old premises to the new ones was taken in hand in November, 1953. The overhauling of machinery and its installation continued upto December, 1953. Due to dislocation, the workers could not be fully employed, but the manufacture of the articles which were in the process of production before the strike was carried on.

TEXTILE MILLS AND HANDLOOMS

99. Shri Jhulan Sinha: Will the Minister of **Commerce and Industry** be pleased to state:

(a) the number of textile mills in production and the estimate of the total capital invested in the import of the machinery therefor;

(b) the number of handlooms and the total amount of investments thereon;

(c) the extent to which the requirements of this country are fulfilled by the mills and the handlooms; and

(d) whether the textile mills in production at present can meet the needs of the country entirely?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) 399 consisting of 117 spinning units and 282 composite (spinning-cum-weaving units). Information about the total capital invested in machinery imported by these mills is not available.

(b) It is stated there are about 2,893,271 handlooms. But the Census Report and Sample Surveys do not support this figure. The information about capital invested in handlooms collected from the State Governments in 1951, showed that it was about Rs. 39 crores.

(c) and (d). The total cloth produced by the mills in 1953 was 4905 million yards. The handlooms produced about 1,200 million yards. After allowing exports, there was a *per capita* availability of 15·1 yards in 1953 as against 15 yards aimed at in the First Five Year Plan.

ELECTRICAL INDUSTRY

100. Shri Nanadas: Will the Minister of **Commerce and Industry** be pleased to state the percentage of capacity idle at present in the electrical industry and the reasons therefor?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): It is not possible to assess correctly, the capacity lying idle in the electrical industry. Government have already appointed an Engineering Capacity Survey Committee to investigate this problem and recommend ways to utilise the existing idle capacity to the maximum extent possible.

FIVE YEAR PLAN

101. Shri A. N. Vidyalankar: Will the Minister of **Information and Broadcasting** be pleased to state:

(a) the number of copies of the abridged edition of the Five Year Plan sold/distributed free up to the end of January 1954;

(b) the quantity and value of the other literature of the Five Year Plan sold/distributed free in India;

(c) the languages in which this literature has so far been published;

(d) the arrangements made for the wide circulation of this literature; and

(e) the agencies through which it is being distributed free?

The Minister of Information and Broadcasting (Dr. Keskar): (a) Presumably the reference is to the publication "The First Five Year Plan" (People's Edition). The required information in respect of this publication is given below:

Number of copies sold up to 31. 1. 54 ..	18,758
Number of copies distributed free upto 31. 1. 54 ..	7,542

(b) Other literature on the plan:

	Quantity		Value
	No. of publications	No. of copies.	
			Rs.
Sold	26	1,28 114	1,41,600-10-0
Ditributed Free	50	4,30,735	1,54,343-6-0

(c) English, Hindi, Bengali, Assamese, Gujrati, Marathi, Gurmukhi, Kannada, Tamil, Malyalam and Urdu.

(d) Copies are sold through a large number of book-sellers all over India and active steps have been taken to draw public attention to these publications.

(e) Copies are being distributed free through the Planning Commission, State Govts. and Publications Division.

REHABILITATION GRANTS FOR DELHI

102. Shri Radha Raman: Will the Minister of **Rehabilitation** be pleased to state:

(a) the amount granted by the Ministry for various heads of activities to Delhi State Government during the year 1952-53;

(b) the amount actually spent;

(c) the heads under which it was spent;

(d) whether any amount has lapsed; and

(e) if so, the reasons for the same?

The Minister of Rehabilitation (Shri A. P. Jain): (a) (i) Expenditure on Displaced Persons ... Rs. 36,49,500

(ii) Urban Loans ... Rs. 4,00,000

(b) Rs. 40,29,380

(c) (i) 57—Miscellaneous Expenditure on Displaced Persons Rs. 36,29,385

(ii) Loans ... Rs. 3,99,995

(d) Yes. ... Rs. 20,120.

(e) Mainly on account of late appointment of staff in Work Centres.

A.I.R. RURAL ADVISORY COMMITTEES

103. Shri S. C. Samanta: Will the Minister of **Information and Broadcasting** be pleased to state:

(a) the functions and constitution of the Rural Advisory Committees for Educational Broadcasts attached to various All India Radio Stations worked in 1953; and

(b) whether people from rural areas are on the Committees or whether this is restricted to residents of towns only?

The Minister of Information and Broadcasting (Dr. Keskar): (a) There are no Rural Advisory Committees for Educational Broadcasts. A copy of the rules governing the functions and constitution of Rural Advisory Committees as they exist at various All India Radio Stations is placed on the Table of the House. [*See* Appendix III, annexure No. 32]

(b) Persons from rural and urban areas, within the listening range of the Stations, who are intimately acquainted with rural conditions and are interested in All India Radio Rural broadcasts are appointed to these Committees.

SULPHUR

104. Shri N. M. Lingam: Will the Minister of **Commerce and Industry** be pleased to state:

(a) the quantity of sulphur used in India for the manufacture of sulphuric acid; and

(b) the quantity of sulphur allotted to India by the International Materials Conference for the last three quarters of the year 1953?

The Minister of Commerce and Industry (Shri T. T. Kirshnamachari): (a) About 42,000 tons per annum.

(b) No allocation of sulphur was made after the first quarter 1953, as the Sulphur Committee of the International Materials Conference was wound up on the 28th February, 1953.

COAL

105. Shri T. K. Chaudhuri: Will the Minister of **Production** be pleased to state the respective annual figures for

(i) raisings of coal;

(ii) Coal Commissioner's sanctioned programme of coal despatches;

(iii) actual despatches; and

(iv) coal stocks at the end of each year at each of the Central India Collieries during 1952 and 1953?

The Minister of Production (Shri K. C. Reddy): (i) to (iv). Statements for the years 1952 and 1953 are laid on the Table of the House. [*See* Appendix III, annexure No. 33.]

GOVERNMENT PURCHASE OF FOREIGN CLOTH

106. Pandit D. N. Tiwary: Will the Minister of **Works, Housing and Supply**

be pleased to state:

(a) the quantity and value of cloth of foreign manufacture purchased in 1952 and 1953 by Government; and

(b) the quantity and value of handloom cloth purchased by Government in these two years?

The Minister of Works, Housing and Supply (Sardar Swaran Singh): (a) Nil.

(b)	*Quantity*	*Value*
1952	16·33 lakh yards. + 61 — 350 Blankets	Rs. 18·11 lakhs
1953	21·51 lakh yards. + 28,707 Blankets	Rs. 16·45 lakhs

CULTURAL ATTACHES

107. Shri D. C. Sharma: Will the **Prime Minister** be pleased to state the general qualifications of the Cultural Attaches in the various Indian Embassies and Legations?

The Prime Minister (Shri Jawaharlal Nehru): There is only one temporary Publicity-cum-Cultural Attache. He is stationed in Rome and his qualifications are:

M.Sc. (Hons.) He went to Italy in 1950 on a joint fellowship granted by the Government of India and the Government of Italy for higher studies in art and culture. He has specialised in the latest methods of Restoration of Murals and Frescos.

Knows Italian and French.

Author of books: (1) Circular Bias in ancient Indian Art Compositions (2) Indian Sculptures in Bronze and Stone (3) Ajanta Frescos.

INDUSTRIAL SCHEMES IN PUNJAB

108. Shri D. C. Sharma: Will the Minister of **Planning** be pleased to state:

(a) whether it is a fact that the Central Government has agreed to render financial aid to the Punjab Government for schemes of industrialization; and

(b) if so, what schemes have been submitted by the Punjab Government?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) No.

(b) Does not arise.

COMMUNITY PROJECTS IN PUNJAB

109. Shri D. C. Sharma: Will the Minister of **Planning** be pleased to state:

(a) whether Government propose to undertake any more Community Projects and Development Block Schemes in the Punjab; and

(b) if so, how many, when and where?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) Yes.

(b) No decision has yet been taken.

SURPLUS LABOUR IN RAILWAY COLLIERIES

110. Shri Ramji Verma: Will the Minister of **Production** be pleased to refer to starred question No. 742 asked on the 24th August, 1953, and lay the report of the Fact Finding Committee set-up by Government to investigate the surplus labour in Railway collieries on the Table of the House?

The Minister of Production (Shri K. C. Reddy): A copy of the Report of the Fact Finding Committee has been made available to the Parliament Library. Sufficient number of copies of the Report is not available for being laid on the Table of the House, as the Report has not been printed.

NORTH EAST FRONTIER AGENCY

111. Shri L. Jogeswar Singh: Will the **Prime Minister** be pleased to state:

(a) whether any medical units have been sent to the unadministered or partially administered areas of the North East Frontier Agency;

(b) how many cheap grain shops have been opened;

(c) how salt and food grains are supplied for the civilian population in places where there are no road communications;

(d) how many medical dispensaries there are; and

(e) whether proper measures are being taken for the supply of cloth to the civilian population in these areas?

The Prime Minister (Shri Jawaharlal Nehru): (a) Yes. Medical units generally accompany officers on tour. When medical officers and mobile health units are on tour, hill people from the neighbouring unadministered areas also come and receive medical treatment.

(b) Seventy.

(c) By air-dropping.

(d) Sixty-one.

(e) Yes. The Political officers have been arranging the supply of cloth through their appointed agents.

EXPORT OF ORES

112. Shri Deogam: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that Government announced on 2nd January, 1954 their policy on export of ores from Calcutta Port stating that the quota for export will remain the same as in the period from October to December, 1953; and

(b) the number of firms which were allotted export quotas before 15th January, 1954 in Calcutta and the number of firms which were allotted the same after this date mentioning the dates when the latter were given the quotas?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) Yes.

(b) 19 firms received their quota allotments by 15-1-1954; 45 firms on 21-1-54; and 7 firms on 1-2-1954.

DOGNAILS (IMPORT)

113. Shri P. C. Bose: Will the Minister of **Commerce and Industry** be pleased to state:

(a) the total quantities of Dognails (Spikes) imported from foreign countries during 1951, 1952 and 1953;

(b) the annual requirement in the country;

(c) the annual production in the country; and

(d) the difference in the prices of foreign and indigenous products?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari):

		Tons
(a)	1951	317
	1952	80
	1953	3

(b) About 1,800 tons a year.

(c) About 1,700 tons a year.

(d) Foreign Dognails are about Rs. 20 per ton costlier.

PENSION-HOLDERS OF CHANDERNAGORE

114. Shri Tushar Chatterjea: Will the **Prime Minister** be pleased to state:

(a) whether it is a fact that the pension-holders of Chandernagore Government who have retired after the *de jure* transfer of power, are not being given their pension;

(b) if so, the number of such persons and the total amount of money due to them annually;

(c) whether it is a fact that by the treaty of transfer between the French Government and the Government of India, the latter had assumed all rights, liabilities and obligations in the matter; and

(d) if so, why this obligation is not being discharged?

The Prime Minister (Shri Jawaharlal Nehru): (a) and (d). The obligation cannot be fully discharged until the question of apportionment of pensionary liabilities of the former employees of Chandernagore between the Government of India and the French Government is decided. Pending decision of this question, the Government of India are authorising the grant of anticipatory pension on a provisional basis against the pension admissible under the French Pension Rules, to avoid financial hardship to the pensioners concerned.

(b) The number is two. The amount due annually is not known as the pension is yet to be calculated.

(c) Yes.

DATE SEEDS

115. Shri Morarka: Will the Minister of **Commerce and Industry** be pleased to state:

(a) the total quantity and value of date seeds imported into India during the last three years; and

(b) the purpose for which the date seeds are used?

The Minister of Commerce and Industry (Shri T. T. Krisnamachari): (a) Information is not available as statistics about date seeds are not separately recorded in the Sea Borne Trade Accounts. Enquiries made from the different Custom Houses, however, reveal that no imports of date seeds have been noticed recently.

(b) Date seeds are ground and used as feed for camels, goats, sheep, cattle and horses. Roasted kernels are some times used as a substitute for coffee.

APPLICATIONS RECEIVED BY TEA LICENSING COMMITTEE

116. Shri N. M. Lingam: Will the Minister of **Commerce and Industry** be pleased to state:

(a) the number of applications received by the Indian Tea Licensing Committee (i) for extension of tea cultivation; and (ii) for new plantings between 1st April 1950 to 30th September, 1950;

(b) the number of applications in respect of which permits were issued;

(c) the number of applications rejected; and

(d) the number pending disposal?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) to (d). A statement is attached. [*See* Appendix III, annexure No. 34.]

PUMP FACTORIES IN U. P.

117. Shri H. S. Prasad: Will the Minister of **Commerce and Industry** be pleased to state:

(a) the number of factories in U.P. for the manufacture of power driven pumps; and

(b) whether there is any such factory in the eastern districts of U.P.?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) None to my knowledge.

(b) Does not arise.

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THE

Dated 01.12.201

PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

HOUSE OF THE PEOPLE

Thursday, 4th March, 1954.

The House met at Two of the Clock.

[MR. SPEAKER *in the Chair.*]

QUESTIONS AND ANSWERS

(*See Part I*)

3 P.M.

MESSAGES FROM THE COUNCIL OF STATES

Secretary: Sir, I have to report the following two messages received from the Secretary of the Council of States:

(i) "In accordance with the provisions of rule 125 of the Rules of Procedure and Conduct of Business in the Council of States, I am directed to inform the House of the People that the Council of States at its sitting held on the 1st March, 1954, agreed without any amendment to the Displaced Persons (Claims) Supplementary Bill, 1953, which was passed by the House of the People at its sitting held on the 23rd February, 1954."

(ii) "In accordance with the provisions of rule 97 of the Rules of Procedure and Conduct of Business in the Council of States, I am directed to enclose a copy of the Air Corporations (Amendment) Bill, 1954, which has been passed by the Council of States at its sitting held on the 1st March, 1954."

AIR CORPORATIONS (AMENDMENT) BILL

Secretary: Sir, I lay the Air Corporations (Amendment) Bill, 1954, as passed by the Council of States on the Table of the House.

PAPER LAID ON THE TABLE

MINISTRY OF COMMERCE AND INDUSTRY ORDER NO. S.R.O. 392.

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): I beg to lay on the Table a copy of the Ministry of Commerce and Industry Order No S.R.O 392 dated the 2nd February, 1954. [*Placed in Library. See* No. S-49/54.]

MUSLIM WAKFS BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Minister of Law and Minority Affairs (Shri Biswas): I beg to present the Report of the Select Committee on the Bill to provide for the better governance and administration of Muslim Wakfs and the supervision of Mutawallis' management of them, in India

RAILWAY BUDGET—*contd.*

Mr. Speaker: The House will now proceed with the general discussion on the Railway Budget

Shri Altekar (North Satara): Sir, be it an occasion for the discussion on the President's Address or on the Railway Budget or the General Budget, there is a certain section of hon. Members who always go out for

[Shri Altekar]

destructive criticism by taking any matter to any extremity. This reminds me of the story of a father and his learned son. The son was clever no doubt, but, his cleverness bordered somewhat on perversity.

[PANDIT THAKUR DAS BHARGAVA *in the Chair*]

There was a marriage ceremony in the family and the father had prepared a pandal for the purpose of performing that ceremony. After constructing the pandal he asked his son whether he was satisfied with the pandal. His son went round and said: "This is a very inauspicious pandal". "Why?" asked the father. The son said

"इस में सब वंशच्छेद हो गया है।"

वंश in Sanskrit means both a bamboo and family-line. His objection was that inasmuch as the bamboos were cut for the purpose of erecting a pandal, the family-line also would be broken if the ceremony took place in it. The father thought that such an objection should not remain and he asked the contractor to remove it and prepare another *mandap* without leaving any room for such criticism. The contractors erected another *mandap* using girders and teakwood. The father then asked the son whether he was satisfied with that. The son closely inspected the pandal and then said that it was more dangerous than the preceding one. "Why"? asked the father. The son said:

"इस में अभी तो निर्वंश हो गया है।"

In this pandal, all the bamboos are removed and therefore it will lead to the extinction of the family-line if the marriage ceremony was performed in it. The father realised that it was better to rely on one's common sense than to proceed in the light of such unhelpful and destructive criticism.

In the course of the debate, one such Member after another grew eloquent in condemning the Government for what was not done: *viz.*, all the old rolling-stock has not been fully removed or being removed and replaced; all the dismantled lines are not being restored; new lines that are being undertaken are not of a sufficient magnitude; then again, full amenities have not been provided to the servants and the passengers; bottlenecks were not removed; further, the speed has not been increased and punctuality is not restored to 99 per cent., and so on. Even if eight hundred crores of rupees are spent, all these things could not be done in five years. The only sum that is available in these years is Rs. 400 crores for the Railway development. If wishes were horses anyone could ride. Unfortunately, the hon. Railway Minister has not an Alladin's Lamp with him so that he could do all these things overnight and without any additional money. This again, is not an age:

'what Circes carol and syrens sing
or vocal critics plenty bring'.

This is an age of hard realities, an age where economists, calculators and planners have to think in the light of objective conditions and the resources at their command. When we take this into consideration we have to look to the fact that as many as 2,554 locomotives had grown over-age in 1951 March, while 6,895 coaches and 47,256 wagons had gone almost out of use. This is not all. It is a continuing process. Every year, over 200 locomotives, over 600 coaches and over 5,000 wagons get over-age. And this process does not stop because we embark on a plan; it goes on. So, even if all the money is spent for these purposes the normal position cannot be fully restored. Therefore, what has to be done is that we have to make proportionate apportionment towards the various items

that we have to look to, and from that particular point of view the plan has been undertaken. As many as Rs. 207 crores have been set apart for the purpose of manufacturing and procuring the planned quota of rolling stock and machinery, and that is the only thing we can achieve. Therefore, when an hon. friend on the other side has said that there is a crisis because overcrowding has not been completely wiped out, that full amenities have not been given to passengers, and that the pay of railway servants has not been increased to a scale which he desires, he fails to understand that there will also be a crisis if any source from which the money is to be had is not suggested by him. Perhaps he thinks that it is not his responsibility. But we have to take an objective survey and purview of the whole situation. Therefore we have apportioned for these various items sums which could meet the reasonable and urgent demands.

If we consider the matter from this point of view, the achievement that has been made is not in any way negligible. So far as the Chittaranjan Locomotive Factory is concerned, for 1951 the target fixed was twelve units, but we actually had sixteen. For 1952 the target was thirty and we received thirty. For 1953 the target was forty-five and we actually got fifty-four. So in these three years, against a target of eighty-seven we got one hundred. Therefore the hon. Minister thinks that he can raise the target from 120 to 150 a year and thereafter to 200. That is the situation, and that is not in any way disheartening.

There is also criticism that the cost of these engines is very high. But the critics fail to take into consideration that out of these Rs. 14 crores that we are spending for the factory as many as Rs. 7 crores were for the purpose of buildings and other constructions. The interest over that and overhead charges have to be distributed over the few units prepared in the early stages. But when the factory goes into full production it will be spread over all those large number of units, and in the course of a few years we will be able even to take back the subsidy by spreading it over a large number of years.

Then again we have to take into consideration the fact that in foreign countries the factories have been established scores of years ago and have been working with full speed and they were besides established at a low cost. Therefore, taking into consideration all these facts, our achievement is not in any way low.

The Integral Coach Factory is going into full production at the end of the Five Year Plan. We will be producing 11,000 wagons instead of the present production of 7,000, as against an annual wear and tear of 5,000 wagons.

It was said that the number of quarters that are built for the various railway servants is very small. It has to be taken into consideration that out of the railway servants, as many as 4 lakhs are in the essential services. There are more than three lakhs of quarters that are already built. Every year we are building nine thousand or more quarters. When it is said that it would take a hundred years to build the necessary quarters, it is only a ludicrous way of criticising the matter.

Then I would like to make a few suggestions so far as railway development is concerned. I am very glad to note that on the Barsi Light Railway some fifty more coaches have been put. But, at the same time it has to be taken into consideration that there are four fairs in a year and the pressure of traffic is so great that it is not possible to cope with it, with the addition of these coaches on this particular line. Besides, in these coaches there is a middle row of benches without any protection for the back, and people find it very difficult to save themselves from falling. I

[Shri Altekar]

am sure the hon. Minister will take necessary steps to remove all these difficulties.

At page 60 of the report of the Railway Board for 1952-53 I find a statement which refers to very heavy corrosion in the boilers of the Tata engines working on the south-east section of the old MSM Railway. I would suggest that investigations should be made as to whether this corrosion occurred due to inferior steel or whether it was due to bad water, and then proper remedial measures taken.

I find that there are a number of accidents. Even in today's paper I read about another accident. In this connection it has to be taken into consideration that just like the engines and other rolling-stock, even the tracks, bridges and culverts get old and require replacement or repairs. There are also boulders on the track over-hanging from the mountains that are cut, and due to weather, rain and sun, they get loose and loose every year. Therefore, prompt and proper inspection should be made and all such places of danger should be detected immediately and repaired without any further delay so that further accidents may be avoided. There should be a standing inspection department whose duty it should be to keep such such places in constant check.

As regards the criticism that was made against the inflated mileage charges, I would like to point out that there need be no apprehension that this would in any way be looked upon by the people as a step which is not in the right direction. There was an objection that it would be bad in law. I would like to draw the attention of the hon. Members to the fact that the house rent of an old house is lower than that of a new house because the cost of construction of a house now is much more than what it was when the old house was constructed. This differentiation is accepted by law in the Rent Act. So also in the case of railways which we are constructing now, the cost is more on account of the present market rates of raw materials. People however would welcome new Railways with inflated mileage charges where there are no good transport facilities, and from that point of view I would suggest that in the next Five Year Plan, the Satara-Koregaon Railway should be taken into consideration. There is also a report of the Traffic Survey Engineer of the MSM Railway, which is dated 3rd August, 1911 and in that full survey has been given. Thereafter, lands were acquired and track-work undertaken to the extent of some three miles. The Krishna Bridge was also constructed which would be useful for both railway as well as ordinary traffic. But, the work was given up due to financial stringency after World War I. Satara is a district headquarter. It is suffering for want of railway connection. Trade and commerce would flourish if it is connected by railway. Therefore this Railway proposal should be taken up for consideration. I would also make a suggestion with reference to the Lonand-Phaltan-Pandharpur Railway. Survey was made about fifteen years back. The Sakharwadi sugar factory on the Nira Canal is near Phaltan and is far off from the Railway Station. There is also abundant crop of sugarcane and other articles. If a railway connection is given it would help development of trade and industry in that region and reduce the pressure of traffic on other Pandharpur lines.

Sir, I submit that during the three months, July, August and September, and up to 15th of October, there is less traffic on the railways due to rainy season. I would suggest that during this time there should be single fare and double journey concession tickets to holy places and other worth seeing sites in these days like Gairasappa, Gothak and so on.

These are the things that I wanted to say. I would congratulate the hon. Minister.....

Mr. Chairman: The difficulty is that so many hon. Members are anxious to speak. I must call upon the next Member to speak.

Shri Frank Anthony (Nominated—Anglo-Indians): Our Railways are, admittedly, not only our greatest national asset, but, I believe, the greatest legacy which this country has inherited. There is nothing in Asia to compare even remotely with Indian Railways and I believe there is nothing in the whole world to compare with this largest single Railway Administration. Because of that, I feel that it should be not only our pride, but our duty to nurture this legacy zealously and to lavish on it not only the maximum of care and attention, but the maximum even of affection. I have had the opportunity and privilege of dealing for many years with the problem of Railways and I propose to approach these problems in this spirit of constructive suggestion and examination.

My first note of warning is that none of us can approach the Railway problems in any spirit of complacency. Where weaknesses and deficiencies are pointed out, they should be faced up and there should be no attempt to make light of them. I am extremely unhappy at the lack of attention which the planners have paid to the Railways. I feel that the estimate of the planners had been not only inadequate, but wrong. As we know, a sum of Rs. 400 crores has been allocated to the Railways in the Five Year Plan. I submitted last year, and I will continue to submit, that Rs. 400 crores are not sufficient even to enable us to make up the lee-way in respect of rolling-stock, machinery and equipment. Much less will this sum of Rs. 400 crores enable us to expand our Railways so as to keep pace with the growing trade and industry. What the hon. Minister has stated is even more disconcerting. Even this already inadequate sum is not going to be available. The hon. Minister has pointed out that there is a short-fall of Rs. 60 crores out of the Rs. 320 crores that the Railways themselves are going to contribute. At this rate, at the end of the Plan period, the short-fall will be in the region of Rs. 100 crores. That is, together with the contribution of Rs. 80 crores from the Centre, the Railways would have only about Rs. 300 crores for rehabilitation and development. My own estimate is that we will require at least Rs 600 crores if the Railways are going to rehabilitate, if the Railways are going to keep pace with the growing trade and industry, if they are not going to inhibit trade and industry in this country.

I feel that we cannot be complacent with regard to the overall picture. The Minister has himself pointed out that it is one of increasing expenditure on one side and progressive diminution of surplus on the other. He has also pointed out that our Development Fund is rapidly dwindling. I am not going into the reasons. Whatever the reasons may be, the figures supplied both by the Minister and by the Railway Board definitely bespeak a decline in operational efficiency. This is a matter which, I feel, we must face up. I shall give a few figures to illustrate what I am saying. Fifteen thousand new wagons were put on the lines in 1952-53 and 208 new locomotives were put on the lines. Industrial production happily went up by 10 per cent. One should have expected as a natural and inevitable consequence of the cumulative effect of these favourable circumstances that there should have been an increase in the volume of goods traffic. But, we find this disconcerting feature, with more new wagons put on the lines and with more locomotives put on the lines and with industrial production up by 10 per cent., the volume of goods traffic has gone down. There has been a decrease in ton miles. There has been an increase in

[Shri Frank Anthony]

wagon miles. What does this mean? It means that more wagons have been used to carry less tonnage. There has also been an increase in goods train miles which means that goods trains have travelled longer distances while carrying a lower volume of goods. The freight load on the broad gauge trains has decreased. We have an all round decrease in the traffic in smalls. I pointed out last year that this was inevitable because I felt that the turn-round position of wagons was not satisfactory, and the traders and businessmen were looking away more and more from the Railways so far as smalls traffic was concerned. I submit the position is not calamitous, it is not catastrophic, but there are these weaknesses and deficiencies and we must face up to them.

Then there is an important omission in the Railway Minister's speech. No figures have been supplied with regard to the turn-round of wagons. My own feeling is—and it is supported by implication by what the Railway Board has told us—that the demand for goods movement has exceeded the supply of wagons. In fact, there has been, and there continues to be, a bottle-neck so far as transport is concerned. That there is this prevalence of a bottle-neck is also supported by the repeated statements we see in the press by leaders of trade and industry.

Then there is other aspect. While the volume of goods traffic has decreased, while there has been all-round decrease in our passenger earnings, it is significant that the claims in respect of lost and damaged goods has increased in 1952-53 by Rs. 30 lakhs. Now, what is the reason for this? While your volume of goods traffic has decreased, why do your claims increase by Rs. 30 lakhs in one year? I may be wrong, but my own feeling is that the Minister should investigate the position with regard to different categories of Police on the Railways—the Railway Protection Police, the Government Railway Police, the Watch and Ward Police Department, which is a quasi Police Department, etc. I am not going to condemn these Departments by any sweeping generalisations, but I will say this to the hon. Minister that there is a general feeling among Railwaymen—I believe the expenditure on the Police has increased very considerably; I would like some clarification on whether the expenditure on these various categories of Police has increased within the last four or five years—that in spite of this increase, these categories of Police do not inspire a sense of security and protection which they should, both in the staff and in respect of Railway property.

Then, a word about passenger traffic. The Minister has admitted that there has been an allround decrease in passenger earnings. Here I would request that the Minister directs some kind of scientific research into this position. This is a vital aspect of Railway earnings and we cannot leave it in the region of speculation. What is the reason? Is the reason a purely economic one? Is it because of the savage inflationary spiral in this country, because the people have less money to spend, that passenger receipts are going down? Or is it the combined effect of an economic factor together with some psychological factor? I suggest that there must be some scientific research, looking into this not only from the aspect of operational efficiency, but also from the psychological aspect. And here I am going to make a very earnest request to the Minister. I am going to ask him to postpone any kind of re-classification. I am one with him in maintaining that we must have the goal of an egalitarian society in this country, but what I feel is that this is not the time to re-classify or reshuffle Railway accommodation. I was the solitary

dissident when re-classification was introduced. I said "No. We have enough major problems on our hands posed by the ravages of partition. Let us first deal with those problems. Let us first get on top of those problems before we divert our energies to gratuitous problems". And I feel that until the coaching-stock position improves any kind of re-classification can mean only one thing: merely some kind of reshuffle within the ambit of the limited coaching stock. And that is what has happened. I say this,—and no one can deny it,—that we have lost at least Rs. 24 lakhs by the abolition of first class. There has been no compensating advantage because the revenue from second class has been less than before its abolition. The only thing that has been achieved is that there is additional discomfort. People who could afford to and did travel first class today are herded together in over-crowded second class compartments. I would say this that until the coaching-stock position improves, why throw away any money at all? We have definitely lost Rs. 24 lakhs with the abolition of first class. Once the coaching-stock position improves and once we are in a position perhaps to sacrifice money to principles, then I say it wil be the appropriate time to consider the reclassification of travel.

There is another issue which I feel is an important one, and we should not evade it in this House. There has been a lower volume of goods traffic. Passenger earnings have decreased My own analysis shows that in spite of this decrease, there has been an increase in coal consumption of close on to 400,000 tons. I do not know how much one ton of coal costs on an average, but why this unexplained and apparently quite unwarranted increase of almost half a million tons of coal, costing the Railways—I should estimate—roughly about half a crore of rupees.

Then, I am particularly unhappy about the consequences of regrouping. I am not attempting to father the consequences or ill-consequences of regrouping on to the shoulders of the hon. Minister of Railways. It was not his baby; it did not emerge from his brain. But I say this that I feel that regrouping has not led to rationalisation. It has not led to streamlining. Let me illustrate this by a few examples. Looking at the figures, I find that in 1952, there were 2,231 officers, while in 1953, there were 2,434 officers. That means, after regrouping, in one year, the number of officers has increased by 203. And if we go back a little further, we find an even more spectacular increase. The figures of officers for 1950 was 1,717. In other words, between the years 1950 and 1953, in a period of three years, the number of officers has increased by 717, i.e., in three years, instead of rationalisation, instead of integration, your number of officers has increased by nearly 42 per cent. My own feeling is—I am interested for the moment only in the Railways—that that posts which have been created are absolutely superfluous supernumerary posts which have been a hindrance and not a help to the Railway Administration. Let me illustrate what I am saying There were about five districts on the O. & T. Railway—I am not talking about the Assam section. Half of the Fatehpur District consisting of 250 miles of railway track.....

Mr. Chairman: Two minutes more.

Shri Frank Anthony: May I be given five minutes more? I am speaking on behalf of my group.

Mr. Chairman: The number of persons desirous of speaking is so large that I do not feel disposed to extend the time of any member.

Shri Frank Anthony: I am speaking on behalf of my group.

Mr. Chairman: I have given 15 minutes to the hon. Member,—two minutes are left.

Shri Frank Anthony: You may give me 20 minutes.

Mr. Chairman: In two minutes, all the points can be made out if the hon. Member just touches on those points. But if he wants to expatiate on them, he will require more time.

Shri Frank Anthony: After regrouping, the area was increased from 5 to 5½ districts. For the sake of half a district, what have we done? We have created two new Regional Offices, one at Lucknow and one at Muzaffarpur. Before that, five districts were controlled from headquarters under the head of one Officer and two deputies. Now, for the sake of half a district, we have two new Regional Offices, with three deputies,—new officers, new buildings, and all the accompanying paraphernalia of additional expenditure with regard to staff and office. What have these two new Regional Offices achieved? I say this categorically, and I am not blaming any one. But what have they done? They have done nothing at all. They are merely post offices, they are merely diversions; instead of the matter going, as it did originally, straight to the headquarters, it is now diverted to these Regional Offices, and there is so much more of diversion and delay. I would ask the hon. Minister to go into this particular aspect.

Finally I want to say this. The hon. Minister has not given us any real information about the productivity of railway labour. The figures released previously showed an alarming decline in respect of the productivity of railway labour, a decline from 100 in 1938-39 to 69 in 1948-49, and my own estimate is that it has declined even further, and I think today, as compared with 1938-39, it is 50, that is it has gone down by nearly half. I say this, as one who has the greatest regard for railwaymen, that the productivity of railway labour is on the decline. This is a very vital matter, and to my way of thinking, it is the most vital problem for the Administration. And unless something can be done to rehabilitate the productivity of railway labour, we will never be able to recapture the efficiency which was once the pride of the Railways in this country. I submit that it is a psychological problem. It is not a problem which can be faced or solved by committees or commissions. But why is it that the morale of the railwaymen is low? I would say this that their morale is low, and it is getting worse. There are so many grievances which have been imposed on them, not entirely, but largely as a result of regrouping. It would not cost the hon. Railway Minister one anna to remove these grievances, and to extend, to strengthen and revive the morale of his railway staff. I will only give a few instances.

The most acute problem which afflicts railwaymen today is the shortage of quarters. Now, I know that this is a legacy and we cannot solve it overnight. But we have to remember this, that with our present allocation in respect of railway quarters, we will not be able—that is my calculation—to solve the question of railway quarters for a period of about 50 to 70 years. We must accept that railwaymen will not have quarters.—although quarters have to be provided to them,—for 50 to 70 years. The difficulty in respect of their quarters can be, and must be, mitigated. What is the way out of the difficulty that they are suffering? The difficulty they suffer from is this burning grievance of inconsiderate and unsympathetic transfers. The local officials—some of them—are utterly unsympathetic, utterly unresponsive. Over and over again, cases come to me. For no rhyme or reason, men are transferred wantonly and gratuitously. One case I have just sent to the Railway Minister. One man was transferred three times in 14 days! A man with a wife and five children. At the fourth time, he got fed up and said: 'I am not going to do it' He was suspended. You ruin the education of their children. And then quarters are not available.

Mr. Chairman: The hon. Member has already taken 16½ minutes.

Shri Frank Anthony: Only two minutes more, Sir.

This is what is happening. It is not as if the transfers are made on promotion—the people who are transferred to take their place. Not at all. It is just done wantonly and without thinking. I will say this, that when I brought such cases to the notice of the late Mr. Gopalaswami Ayyangar, he used to see that these things were not done inconsiderately, and he had no hesitation in cancelling a transfer, even though it might have been made by a General Manager who was his son-in-law. I would like the Minister to look into this. It is making the men rebellious, it is making the men non-co-operative and it is making them bitter.

Then, Sir, there is this question of leave and passes. Here again, I would ask the Minister to revert to the old system of having leave and passes in the hands of the local official. Today it has been centralised. Under the divisional system, leave and passes have to be referred to the divisional headquarters. What is happening to the men—and this is a real thing—is that a man applies for leave because his father or mother is dying, and he gets leave one year after the father or mother has been cremated!

An Hon. Member: That has happened.

Shri Frank Anthony: This is what is happening. Leave it to the local official. It used to be done perfectly before.

Then there is the question of seniority lists. Even now, your seniority lists have not been prepared. Since regrouping, no person in Class III or IV has been confirmed. What is the consequence? Men who are at the end of their service, who had a normal expectation of promotion, cannot be promoted. Since they are not confirmed, they cannot appear before a Selection Board, and they are not being confirmed because of regrouping! So the men in the last reaches of their service today are being denied their promotion. There is tremendous bitterness, understandable bitterness, among the staff.

Then there is the question of arrears of pay and increment. I am inundated with complaints. A railwayman who is due arrears of pay, who is due increments, cannot get it, and—I say this with a sense of grief—he can only get arrears or increments if he bribes some clerk in the personnel staff. This is a matter which must be looked into. With regard to the question of arrears, even the railways are not without blame. The Railway Administration has admitted that certain staff are due arrears from 1st January 1949. But arbitrarily and quite indefensibly, the Railway Administration has said: 'No'. You may have officiated from 1st January, 1949 but we say you will get the arrears only from 1st January, 1951. What possible or justifiable reason can there be for the Railway Administration depriving these men of the arrears of two years of pay or allowances?

Mr. Chairman: Now, the hon. Member need not touch any new points; he must finish.

Shri Frank Anthony: Sir, I will finish. Only one more point.

Mr. Chairman: He must finish. One more point means two more minutes and another Member will not get a chance, if I proceed like this. Being the last day, every Member is anxious to speak.

Shri Radhelal Vyas (Ujjain): Some of the States do not get a chance to speak.

Shri Raghunath Singh (Banaras Distt.—Central): Some of the Members did not catch your eye.

Mr. Chairman: In three days, how many Members can be accommodated?

[Mr. Chairman]

There are 50 or 60 Members who are anxious to speak and I cannot accommodate all of them.

Shri Radhelal Vyas: At least one Member from each State should get a chance.

Mr. Chairman: If this practice is followed, then there will be at least 28 Members on every motion!

Shri Raghuramaiah (Tenali): Sir, I wanted to start my speech by congratulating the Railway Minister, but, if you will forgive me, I have changed my mind. I want to congratulate Mr. Frank Anthony for the very nice turn of mind displayed in his speech today. Because, on the last occasion when I heard the hon. Member, he was saying that Members of this House know less than little about railway problems, and so, after hearing him, I started studying vigorously our railway problems. But, I find now that he has taken a very different role and is making constructive suggestions helpful to the Government. It may be in one or two matters a man like me may not agree with him. For instance, he was much against the abolition of classes in the railways.

[MR. DEPUTY-SPEAKER *in the Chair.*]

He was saying, why deprive a man of his comfort by abolishing the first class? In fact, my complaint in those days was that the only difference between the first class and the second class was that we had to pay practically double the rate for the first class when we have no additional comfort except a study lamp at the head. They have removed that anomaly now and, as far as I am able to understand, there has not been much financial loss to the Government by that change. The change is very much welcomed all over the country and I do hope, undeterred by any slight adverse criticism, the hon. Railway Minister would go forward with his new proposal to abolish the third class altogether. Of course, as Mr. Khandubhai Desai interpreted the other day, we take it that what the hon. Minister means is that there will be only two classes hereafter, one upper and the other lower, the third class being levelled up in convenience and comfort. That would be a very wholesome measure and we should all look forward for its realisation as early as possible.

One matter however in respect of which I am very happy to say that I agree with Mr. Frank Anthony is about the increased expenditure on fuel. I believe our fuel bill has gone up by about Rs. 7 crores since 1948-49. It is a matter which requires very careful scrutiny. I do not know whether the promised implementation of the Drivers Committee recommendations has been effected and what other economies have been effected. The Minister will no doubt look into that. There are undoubtedly certain anomalies in the matter of railway servants' pay and all that. But, I do not think one would be justified, as Mr. Frank Anthony has tried to do, by characterising the treatment of railwaymen as ruthless and so on. He has probably a certain set of people in mind. I do not blame him for that. That reminds me of a Mr. Smith's prayer to God. He prayed to God, 'Please bless me and my son John: me and my wife and my son and his wife; us four and no more.' It is possible that there are a few hard cases; but one must understand that we are dealing with nine lakhs of employees. In their transfers from one place to another, there are bound to be some inconveniences. But I am not aware of any such general complaint about ruthlessness in transfers and I do hope that next year when we meet to discuss the Railway Budget, Mr. Frank Anthony changes his mind in respect of that also.

About the working ratio, it is sometimes complained by some Members that the working ratio in our railways is fairly high and is mounting up. I have tried to look into that and was able to gather a few facts. I understand that in the United Kingdom,

where you have got 19,276 miles, the working ratio is about 90 per cent. In U.S.A., where, of course, you have got a much larger mileage—about 225,000,—it works out at about 76 per cent. But we cannot draw an analogy from the U.S.A. Our mileage is about 34,275 and our working ratio is 80·17. I don't think we have very much to grumble. Undoubtedly, every one of us is anxious—I am sure the hon. Railway Minister is no less anxious—that the efficiency of the Indian Railways should go up. I was particularly pleased when Mr. Frank Anthony referred to the reported reduction in our labour output. I am very happy that he drew particular attention to it, because it has become more or less a slogan every time to talk of under-paid wages but not to emphasise equally the need for efficient work. I am very glad that Mr. Frank Anthony has made a particular reference to it and I have no doubt that the hon. Law Minister and Railway Minister will take all necessary measures to ensure that we get enough of efficient work from the staff we employ. It does not mean that there are no grievances among the staff. They are bound to be when there are nine lakhs of people. I know a few anomalies have been created, perhaps to some extent by the implementation of the recommendations of the Central Pay Commission. I have in mind the case of the train examiners. My information is that they have been put on a lower grade, although they do more or less the same work as workshop chargemen, because of a slight mistake committed by the Central Pay Commission. It is possible that the Central Pay Commission—just as I did when the matter was first mentioned—made the mistake of interpreting train examiners as something like ticket collectors and characterised them as non-technical men. Actually, train examiners are technical men, who do the maintenance work of the rolling stock. I am told that they do almost the same work as a chargeman in the workshop. There may be other anomalies. The other day, a few friends pointed to the case of the pay of guards and drivers *vis-a-vis* the station master. These are all matters which, I daresay, the Minister will look into very carefully and see that justice is done to all categories. As regards the new railway lines, it is almost a jumble mumble, one hon. Member contradicting another hon. Member. While people like myself feel that the latest line proposed, namely, Hassan-Mangalore, is one of the most brilliant ideas of the Railway Minister, for it shortens the distance of Mangalore-Madras by a couple of hundred miles, Shri Ramachandra Reddi was very critical about it, on the ground that it is a very difficult tract. The Railways are there to negotiate the most difficult tracts. My friend, Shri Ramachandra Reddi is keen about having railway lines in Andhra and no doubt I also come from Andhra and am interested in it. Almost every Member seems to claim that his province is backward and needs development in this respect. I am just reminded of my friend, Shri Natesan, complaining about South India being neglected and Shri Jha's remark about North India; and of Kumari Annie Mascarene's complaint that the railway lines are crossing too much in Uttar Pradesh. What Shri Natesan wants is that a high priority should be given to the Tambaram-Chingleput line. Shri Ramaswamy wants priority for Salem-Bangalore link. In this way every one thinks that all other lines should be stayed and that priority should be given to his own. Here is my friend, Shri C. R. Narasimhan, and I am surprised that he has not spoken so far. His greatest plank is the restoration of the dismantled lines. I quite see that every problem is important, but the question is one of priorities. I agree with Mr. Khandubhai Desai that our approach to these new lines should be changed. Mere consideration of the economic return of a line should not hold good in the welfare set-up of our country. Railways are a national venture; they are no longer mere commercial concerns. Maybe, we have to run them on commercial lines, because we do not want to have deficit budget in the railways.

[Shri Raghuramaiah]

I would like, incidentally, to congratulate the Railway Minister on one thing, on this more than any other. We have been of late hearing so much about deficit budgets: the Centre has a deficit budget, Madras has a deficit budget, Andhra has a deficit budget, Hyderabad has a deficit —every State has a deficit. The Railway Minister's was the only surplus budget that I heard about this year. I think we should congratulate him on that. So, with all the surplus we have, or we may have, even at some risk we should formulate new considerations in laying new lines. The primary consideration, or the most important consideration should be our strategic requirements. We are now passing through a very serious situation. The American aid to Pakistan has created a new atmosphere in which we have to look to things. The first consideration should be our strategic requirements; the second should be development of backward areas like Andhra. (*Interruption.*) I have only instanced it; hon. Members need not get jealous. I happen to come from that area, so I put forward my claim. If yours is a backward area, I support you.

Shri Venkataraman (Tanjore): Let us have a race!

Shri Raghuramaiah: I would suggest to the hon. Minister that to avoid this race between areas he should appoint a committtee of experts to go into the priorities of new railway lines, bearing in mind the two considerations—strategic requirements and development of backward areas.

Now, the House will forgive me if I happen to refer to my own area in the South, because, as I said, like many hon. Members I feel my area is also very much neglected. If you travel by the Grand Trunk Express you will find that from Bezwada to Madras there is a real bottleneck. This line requires a double track. I would request the hon. Deputy Minister to devote as much attention to this as to Tambaram-Chingleput electric railway. Perhaps more. If you make it a double track between Bezwada and Madras, I can bring you to Delhi with equal speed as you come to Madras from Chingleput.

Then I come to catering arrangements in the Grand Trunk Express. I have never written any complaint in the complaint-book, though very often they have brought it to me. I thought I should make an open complaint in Parliament which may be more effective. The catering arrangements on this line require a little looking into and perhaps there should be lesser chillies in the food served. It is also most extraordinarily surprising why the refreshment car which is added at Delhi is suddenly detached at midnight at Balharshah. After all we have got another three hundred or four hundred miles to go beyond that. Yesterday I received a letter from a traveller protesting against the partiality shown to travellers this side of Balharshah. He says that between Balharshah and Madras, he is unable to get even aerated water. Of course, these are minor complaints, and I have no doubt the Railway Ministry will look into them carefully, and see that proper attention is paid in the matter of providing proper refreshments on these lines.

In respect of the newly-created Andhra State, I think I would be entitled to take one or two minutes. It is a new venture. We have all fostered it, and we should see that the child grows up and walks quickly. If you look at the papers supplied to us, you will find shoved inside a huge book a railway map of India. If you look at it, you will find two blank spots where there is absolutely no railway line at all. They are in Andhra area, and in the area which may hereafter become part of Vishal Andhra. Somehow, we seem to have been very unfortunate not to have attracted the attention

of the Railway Ministry. Of course, till recently we had no State, and we trusted our friend Shri Alagesan. Whatever it is, I put it to the House in all seriousness that Andhra, the most backward area on the railway map of India, should be looked into.

I would make a particular suggestion which would be very helpful. If you have a railway line from Ongole to Cuddapah it will be a straight line and it will facilitate railway transport immensely in that area. It can be even from Ongole to Bangarpet. I think the Deputy-Speaker will support me.

Mr. Deputy-Speaker: I am drawing a mental picture.

Shri Raghuramaiah: I am very grateful for this encouragement. I have no doubt the Deputy-Speaker will bear with me, because he has personal knowledge of it, and he knows that this part of India requires attention more than any other part. If you have a railway line from Ongole to Cuddapah, it will pass through all the Rayalaseema districts—the famine area. It will facilitate the improvement and development of that part of the country, and I would therefore very strongly urge that this railway line should be taken up as quickly as possible.

On the whole, I want to congratulate the Railway Minister. I did not want to do it just in the beginning, but after having represented to him some of our minor grievances, I think I should congratulate him on the wonderful work on the whole that has been done during the previous year. As a matter of fact, it is not so much necessary for me to do it, because even Mr. Nambiar said yesterday that the present Railway Minister is the best of our Ministers. The change in the tone of Mr. Frank Anthony is itself a tribute to the progress made during the last year. I do hope that the hon. Minister will keep up and further promote the efficiency of our railways during the next year.

Mr. Deputy-Speaker: I find that many hon. Members including leaders of Groups are anxious to speak. May I know when the hon. Minister is going to speak, and how much time he will take?

Some Hon. Members: Not to-day—tomorrow.

Mr. Deputy-Speaker: Tomorrow is a non-official day and at 4-30 P.M. non-official work will begin. So, from 3 P.M. to 4-30 P.M., there would be time. How long would the hon. Minister take?

The Minister of Railways and Transport (Shri L. B. Shastri): One hour.

Mr. Deputy-Speaker: We shall have to begin the discussion on the Industrial Finance Corporation at 5 o' clock. So, nearly an hour remains now and 1½ hours tomorrow, and therefore I shall call hon. Members who will take five minutes each.

सरदार ए० एस० लहरा (बिलासपुर) : सभापति जी, रेलवे विभाग के मंत्री महोदय ने जो भाषण रेलवे बजट पर दिया है मैं उस का स्वागत करता हूं । पर इस के साथ ही साथ मैं यह जरूर कहूंगा कि उन्होंने जो रिएंपिंग की है उससे जो कोई खास मदद मिलनी चाहिये थी वह नहीं मिली । मैं इस पर ज्यादा न कह कर आप का ध्यान इस ओर दिलाना चाहता हूं कि क्लास २ श्रेणी की सर्विसेज को जो तरक्की सन् १९४६–४७ से मिलनी चाहिये थी वह भी नहीं मिली है । मंत्री महोदय ने अपने गत वर्ष के भाषण के सफहा १५ पर यह बताया था कि :

"उन में से एक दूसरी श्रेणी की सर्विस में तरक्की का अनुपात है, यानी खाली पदों में २५ प्रतिशत तरक्की, जो उन्हें मिलनी चाहिये, नहीं दी गई है । मैं ने इस का पता लगाया और यह शिकायत सही मालूम हुई । इसे दूर करने

[सरदार ए० एस० सहगल]

की व्यवस्था की जा रही है और यह काम जल्दी ही पूरा किया जायेगा। मैं ने यह भी निश्चय किया है कि २५ प्रतिशत के अनुपात को बढ़ा कर ३३⅓ कर देना चाहिये जिस से ज्यादा लोगों को तरक्की मिल सके।"

The figures shown below clearly say that the rules have been violated in giving 20 per cent. share of class I posts to class II officers since raised to 25 per cent. on paper only with effect from 1949-50 and 33⅓ per cent from 1-4-53.

मुझे दुःख के साथ कहना पड़ता है कि उन्होंने जो २५ प्रतिशत से बढ़ा कर ३३ ⅓ प्रतिशत कर दिया था उस पर एक साल तक कोई हुक्म जारी नहीं हुआ था। और हुक्म ताक पर, ३१ जनवरी, १९५४ तक रखा रहा, वहां के कोई कागजात नहीं भेजे गये और यदि इस तरह से कार्य होगा तो जो दूसरी श्रेणी के अफसर लोग हैं उन का क्या होने वाला है, यह मेरी समझ म नहीं आता।

The total number of officers recruited to the superior service in 1946-47 were 53 and the officers recruited directly were 52 and the officers promoted from Class II service was one. Thus percentage of promoted officers comes 1·9 against 20 per cent.

इस बार मंत्री महोदय ने कहा है: "एकीकरण के बाद ६ रेलों के दूसरी श्रेणी के सभी अधिकारियों की अग्रता कुछ नियमों के आधार पर तय कर दी गयी है।" इसके बारे में मैं यह कहूंगा कि जितने द्वितीय श्रेणी के कर्मचारी एकीकरण के बाद आये उन की सीनियारिटी के लिये जून, १९५३ में हुक्म दे दिया गया था, पर उस पर भी कुछ नहीं हुआ है और अभी सिर्फ अधिकारियों से उचित सूचना प्राप्त की जा रही है। मेरे खयाल से यह भी ठीक नहीं हुआ। सभापति जी, मंत्री महोदय ने सफा १६ पर यहां कहा है कि "इस तरह की ५९ तरक्कियों में से १३ के लिये आदेश दे दिया गया है और ३८ के बारे में यूनियन पब्लिक सर्विस कमिशन को लिखा गया है"। द्वितीय श्रेणी के जो काम करने वाले हैं उन की कुल ५९ जगहें बताई गई हैं। मगर जो ऐडमिनिस्ट्रेशन रिपोर्ट शाया की जाती है उस के १९४६-४७ से लेकर के १९५२-५३ तक के आंकड़े अगर आप को मैं दूं तो उस से मालूम होगा कि:

इस तरह से प्रमोटेड अफिसर्स का परसनटेज २० परसेन्ट के मुकाबले में १.९ आता है। इसी तरह से अगर १९४७-४८ को लीजिये तो जो आफिसर्स रिक्रूट हुए सुपीरियर सरविस में उन का नम्बर १०४ है और जो अफसर डायरेक्ट रिक्रूट हुए उन का भी १०४ नम्बर है मगर अफिसर क्लास II से प्रमोट हुए कुछ भी नहीं लिये, यानी परसेन्टेज आफ प्रमोशन कुछ भी नहीं रहा। १९४८-४९ में कुल आफिसर्स सुपीरियर सर्विस में ११५ रिक्रूट हुए जिन में से १०७ डाइरेक्टली रिक्रूट हुए और ८ को क्लास २ से प्रमोशन मिला। इस का परसेन्टेज आता है ७.०। १९४९-५० में कुल आफिसर रिक्रूट हुए सुपीरियर सरविस में लिये गये ३७ जिन में से ३४ आफीसर डाइरेक्टली रिक्रूट हुए और क्लास २ से ३ आफीसर लिये गये। इस का परसेन्टेज हुआ ८.०। १९५०-५१ में ३९ आफीसर रिक्रूट हुए सुपीरियर सरविस म लिये गये जिन में से ३६ डाइरेक्टली लिये गये

और ३ क्लास २ से प्रमोट हुए। इस का परसेन्टेज ७.७ आता है। १९५१–५२ में ५३ आफीसर रिक्रूट सुपीरियर सरविस के लिये गये जिन में से ४४ डाइरेक्टली रिक्रूट हुए और ९ क्लास २ से प्रमोट हुए। इस का परसेन्टेज १७·० आता है। १९५२–५३ में ४६ आफीसर रिक्रूट सुपीरियर सरविस में हुए जिन म से ४२ आफीसर डाइरेक्टली आये और ४ आफीसर क्लास २ से लिये गये। इस का परसेन्टेज है ८.७। मेरे कहने का मतलब यह है कि कुल ४४७ आफीसर १९४६-४७ से १९५२–५३ तक लिये गये। अगर आप इन आंकड़ों से हिसाब लगाय तो आप को मालूम होगा कि उन को कुल ६.३ प्रतिशत जगहें मिलीं जब कि उन को २५ प्रतिशत के हिसाब से ९८ जगह मिलनी चाहियें थीं। मैं पूछता हूं कि ऐसा क्यों। क्या कोई खास बात है यों तो हम कहें कि आगे बहुत कुछ होगा। लेकिन अगर ९८ जगहों म से कुल २८ को प्रमोशन देते हैं तो आखिर जो बाकी ७० बचे और जो ५९ मंत्री जी ने बताया है इस से फ़र्क है फिर उन का क्या होने वाला है?

Class II officers in Class II	Northern	Central	Southern
Over 5 years .	50	66	11
Over 8 years .	10	8	1
Class II officers in Senior Scale			
Under 3 years	4	5	1
Over 3 years .	10	5	0

इसी तरह से, सभापति जी, मैं आप को कुंजरू साहब की जो रिपोर्ट है उस के बारे में बतलाना चाहता हूं। उस रिपोर्ट के पृष्ठ १६५ पर यह है :

"Since these officers are those who have rendered faithful and efficient service in Class III subordinate service, it is a matter of importance that something should be done to remove this discontent among them. The present practice of reserving 20 per cent. of the vacancies in class I service for promotion from II and class III services has not proved attractive. We have therefore, considered various proposals in this connection, and are of the opinion that the best way of dealing with the matter would be to reserve a certain proportion of the working posts in the senior scale for the promotion of men from the class II (lower Gazetted) service. We think that 25 per cent. of the Senior Scale Posts should be so reserved. The members of the class II service, will then have a reasonable number of posts clearly reserved for them, to which they can seek promotion if duly qualified, and will thereafer have an opportunity to reach the administrative grades by the process of selection. It would be seen that our proposal envisages the reservation of a specific number of senior scale posts in each cadre of each Railway to which class II officers, who are suitably qualified will be promoted. This, we believe, will prove to be a more attractive and more definite avenue of promotion than the present system under which 20 per cent of the vacancies in Class I are allotted to officers in Class II (on an All-India basis). At present such officers when promoted from class II to class I, are still in the junior scale, though the rules provide for them receiving such seniority as frequently enables them to reach the senior scale before they retire."

समय न होने की वजह से मैं पूरा नहीं पढ़ूंगा। तो इस तरह से इन अफसरों को भी जो जगह मिलनी थी वह नहीं मिली।

[सरदार ए० एस० सहगल]

4 P.M.

सभापति जी, मंत्री महोदय ने यह कहा है कि अब दूसरी श्रेणी के केवल उन्हीं अफसरों को पहली श्रेणी में तरक्की दी जाती रही है जिनकी उम्र ५० साल से अधिक न हो। मगर मैं कहूंगा कि अप्रैल ५२ के पहले ५० साल की कैद उन लोगों के लिए पहले नहीं थी। उसके बाद यह कैद हुई है। मगर जो अफ़सर पचास साल की उम्र में आ जायेंगे उन का क्या होने वाला है। जो छोटी उम्र के हैं, जो पचास साल से नीचे हैं उनका तो बनेगा, लेकिन जो ५० साल की उम्र में आयेंगे उनका क्या होने वाला है।

सभापति जी, इसी तरह से मंत्री महोदय ने कहा है कि "भविष्य में दूसरी श्रेणी से पहली श्रेणी में तरक्की पाने वाले अधिकारियों की अग्रता के लिए उनकी दूसरी श्रेणी की स्थायी और लगातार अस्थायी सेवा काल का आधा उसमें शामिल किया गया है लेकिन यह ५ साल से अधिक न होगा"। मैं कहता हूं कि दूसरी श्रेणी से जो पहली श्रेणी में आने वाले हैं, स्वतंत्रता प्राप्त होने के पहले इस श्रेणी के अधिकारियों को ६ से ८ वर्ष की तुलना थी मगर यह ५ वर्ष पर लादा गया है। मगर मंत्री महोदय ने जो अपने भाषण में कहा है, मैं कहता हूं कि उसका उलटा असर पड़ेगा। मान लीजिये कि जिसकी नौकरी दस वर्ष से कम है, तो दूसरी श्रेणी के अफसर जो ८ वर्ष से नौकरी कर रहे हैं उनको चार वर्ष मिलेगा, इस हुक्म के पहले उनको ५ वर्ष मिलता था।

Mr. Deputy-Speaker: I want to give five minutes to each Member.

Sardar A. S. Saigal: This is an important matter as regards the class II services.

Mr. Deputy-Speaker: What I am suggesting is this. I do not want to shut out any hon. Member. There are the cut motions. On any particular demand they may raise the matter and not exhaust all the points in the general discussion only. Those hon. Members whom I do not call now I shall bear in mind at the time of the discussion on the demands.

Sardar A. S. Saigal: We are unable to put cut motions because we are debarred from putting cut motions. So it is very difficult for us to have our own views expressed at that time.

Mr. Deputy-Speaker: So long as I am in the Chair I am not governed by technicalities. I will allow the hon. Member to raise the matter.

सरदार ए० एस० सहगल : सभापति जी, रेलवे बोर्ड को कुजरू कमेटी ने यह सिफारिश की थी कि प्रथम क्लास के अफसर सीनियर स्केल में जब तक कि वे ९ से ११ वर्ष का तजरुबा प्राप्त न कर लें न लिये जायें। यह जो रिपोर्ट सफ़ा १६४ पर है वह इस तरह से है कि :

"It is considered that a junior scale officer should be fitted for and should be normally promoted to the senior scale at the end of about 9 to 11 years of service. This determines on an actuarial basis the number of posts of Assistant Officers required in the junior scale. Any appreciable excess over this number will result in seriously retarding the promotion of officers and create discontent etc."

सभापति जी, इस से मैं कहूंगा कि अभी भी जो क्लास प्रथम के आफीसर हैं जिनको कि ६ और ११ वर्ष का तजरुबा प्राप्त नहीं है न लिये जावें। आज उन में से जो तीन तीन वर्ष के तजरुबे के हैं उनको भी यह मौका दिया जा रहा है कि वे इस पर लिये जा रहे हैं। सभापति जी, मैं मंत्री महोदय जी से तो यह कहूंगा कि जो यह ईमानदार अफसर हैं, जो आपका काम कर रहे हैं, यह एडमिनिस्ट्रेशन की रीढ़ याने "बैकबोन" हैं इनकी हालत पर हमें ठंडे दिल से विचार करना चाहिए और सब की वाजिब मांगों को हमें बराबर देना चाहिए क्योंकि जो हमारा विधान है उस के १६ (अ) में यह लिखा है कि :

"There shall be equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State."

हम समझते हैं कि हमें उन अफसरों का बराबर ख्याल रखना चाहिए।

सभापति जी, तीन अफसरों की एक कमेटी जिसको कि रेलवे बोर्ड ने डिप्यूट किया था वह सन् १९४८ में यूनाइटेड स्टेट्स आफ अमेरिका, यूनाइटेड किंगडम आदि में तजरुबा प्राप्त करने गये। उन के ख्यालात मैं आप के सामने रख देना चाहता हूं।

"Method of recruitment to the highest ranks in other countries of the world.....'

मिस्टर डिप्टी स्पीकर : यह कहने का मौका नहीं है।

Sardar A. S. Saigal: An extract from the three-man Committee of Offers deputed by the Railway Board on a study tour in the U.S.A., and United Kingdom. in 1948, says:

"Recruitment in the Officers' cadre was made from the ranks and direct recruitment was more an exception than the rule.

Officers on important Railways of the world, particularly in the United Kingdom, Canada, Rhodesia, South Africa, Egypt, Central Argentina and Nigeria, to quote only a few instances, are promoted from the ranks to the highest positions. This shows how in other countries the experience of men promoted from the ranks is valued."

In this connection I can give a list showing the names of men, who, having started their careers at the bottom of the ladder have reached the highest position in the Railway abroad.

सभापति जी, इसके लिये मैं आपको एक चार्ट दे सकता हूं जिस से उन लोगों के बारे में मालूम होगा जो छोटी श्रेणी से ऊंची श्रेणी में जाते हैं। यह चार्ट मेरे पास रखा हुआ है। मैं पेश करना चाहता हूं। सभापति जी, इन शब्दों के साथ मैं आप से यह कहूंगा कि जो दूसरे वर्ग के लोग हैं और जो कि काम कर रहे हैं उन का पूरा ख्याल किया जाय। एडमिनिस्ट्रेशन रिपोर्ट के सफा ८१ पर दिया गया है कि २४३४ आदमी क्लास १ और क्लास २ में हैं। लेकिन मेरा ख्याल है कि करीब करीब उनमें से १००० आदमी दूसरे वर्ग के होंगे। इस में आधे से ज्यादा अभी मुस्तकिल नहीं हैं। इनके अलावा जो थर्ड और फोर्थ क्लास के लोग हैं उनकी संख्या ६,२०,१६७ है। इसमें करीब करीब ४००० क्लास ३ में काम करने वाले हैं। इन सब की न तरक्की हो सकती है न मुस्त-

[सरदार ए० एस० सहगल]

किसी जैसा कि एपिलबी ने अपनी रिपोर्ट में कहा है :

"Too little attention is given to the important matter of developing the potentialities of subordinate employees already in service of the Government and to his suggestion to abandon the very idea of 'cadres', 'officers', 'clerks', 'Ministry' or 'Secretariat' as distinct from 'establishment', class I, II, III and IV, the word 'class' altogether. It emphasized that if class II officers did equally well or better than class I officers performing same duties, they should not be deprived of further promotion on the score of 'class' distinction alone as done on Railways in India."

इतना कहने के बाद मैं, सभापति जी, रेलवे विभाग के मिनिस्टर साहब से इस बात की प्रार्थना करूंगा कि यह जो क्लास २ के तथा तीन के अफसर हैं उनके ऊपर गौर से नज़र करें ।

Shri L. N. Mishra (Darbhanga *cum* Bhagalpur): Sir, I rise to congratulate the Railway Minister for the progress and achievements he has made in the working of our Railways. The House is aware of the fact that the railway system in our country was originally only a comply venture, and there were a number of different railway companies running this transport system of our country with no common approach to the problem. But, with its conversion into a State enterprise the whole conception of Indian railway system has been radically changed. The latest decision of regrouping has made our railways one co-ordinated system. The new arrangement will, apart from effecting efficiency and economy in administration, bring in uniformity in rates and fares. I will appeal to those who have been unnecessarily pessimistic and critical about the regrouping, to have patience and to wait and see the results and then to suggest things.

To my mind, the most encouraging feature of our Railway Budget is its efforts to secure self-sufficiency in her requirements of coaches, wagons, locomotives etc. I would appeal to the Railway Minister to see that we are made completely self-sufficient in these and the capacity of the Chittaranjan Locomotive works and Tata Engineering Company are increased.

I would also like to express my sense of satisfaction for the amenities provided to the travelling public and for reducing over-crowding by introducing additional trains in the various lines. I may make a special mention of the third class passengers to whom enough attention is being paid. I may congratulate the Railway Minister for his personal zeal in the matter and his general attitude of sympathy for the third class passengers who are really the builders and masters of our Railways. I think that the day is not far off when the existing gap between the conditions of travel of the upper class passengers and the lower class passengers will be no more there.

I would like to say a few words about the financial position of our Railways. It is cheering to note that the decrease in traffic earnings that occurred in 1952-53 has been halted. But, I think the railway authorities should not be complacent about it. To my mind, the law of diminishing returns has already set in. The House knows that the Railways have wedded themselves to the programme of development and expansion to meet the growing economic needs of the country, created by the Five Year Plan. I think this is all the more desirable because Railway has been badly neglected for the last 20 years. I appreciate this programme of development; but I am very much apprehensive of the financial position. I think it is not very much encouraging. The Reserve Fund is badly dwindling. Development period is having discouraging symptoms. After years of high earnings, our Railways are facing a progressive diminution of the surplus.

Dwindling surpluses and the need for development present a very difficult problem for our Railways. I think that some means must be found to meet this financial crisis. The hon. Railway Minister, in his speech, appears to be very optimistic and expects to get better earnings, on account of better industrial production and better prospects of agriculture. But, I would like to tell him that no better earnings could be achieved without an improvement in the capacity of the Railways to move the goods. I have the experience of my own State where not even 30 per cent. of the coal and cement could be transported from North Bihar to South Bihar on account of shortage of wagons and the limited capacity of our Railways to move the traffic. Therefore, I would suggest that, if he is at all serious about having better earnings, he should improve the capacity of the Railways to move the traffic. You are also aware of the fact that businessmen have experienced a great many difficulties because of this.

Now, I should like to turn to the conditions of travel in the North East Zone of our Railways. In the North East Zone, I think the conditions are not as encouraging as in other Zones. Here the lack of punctual running of trains and lack of water and fan facilities are the general complaints. In the Mansi-Saharsa section in particular, it is an ordeal to travel and travel is not safe also. Besides, a journey from Patna to Darbhanga—125 miles, and from Patna to Saharsa—about 150 miles—takes from 10 to 15 hours. It is too slow and tiresome. The main reason for this slow movement is the absence of double line system in the whole of the North Eastern Railway. Whole of the Railway suffers from that disadvantage. Therefore, I would suggest that to begin with, an attempt should be made to provide double lines from Lucknow to Katihar.

Coming to the passenger amenities in this Zone, I think they are too inadequate to meet the requirements of the people. I would like to point out that as against an estimated demand of Rs. 9.76 lakhs for light and fan facilities in that Railway, only Rs. 0.12 lakhs in 1953-54 and Rs. 0.76 lakhs in 1954-55 have been provided. This is a great injustice to us and I would appeal to the hon. Minister to make liberal grants for passenger amenities in this North Eastern Railway.

Lastly, Sir, I would like to say a few words about the long pending proposals for the restoration of lines in the Kosi area, especially (1) Forbesganj-Raghopre and (2) Supaul-Chandpipar Railway and the constructions of (3) Jhangarpore-Lokahabagar Railway. These proposals have been long pending. This is an area which had a network of railways 20 years ago. The Kosi devastated this area and deprived the people of Railway facilities. I would request the Minister to take a sympathetic view of this area which has been today made Kosi-free and restore the lines. The case deserves examination in background of people's difficulties for want of transport facility.

Finally, Sir, I congratulate the hon. Railway Minister.

Mr. Deputy-Speaker: Mr. Viswanatha Reddy. Five minutes each.

Shri Viswanatha Reddy (Chittoor): Although there has been a recession in the earnings of the Railways in the past few years, the expenditure of the Railways has gone up by Rs. 50 crores in the past few years. All this amount has gone into providing more amenities to the passengers as well as more facilities to the railwaymen, as has been acknowledged by Mr. Nambiar himself the other day. This is a single circumstance for which the Administration can take justifiable pride.

I will confine myself to three points which I would like to bring forward for the consideration of the hon. Minister.

[Shri Viswanatha Reddy]

Firstly, I would like to refer to the recommendations made by the Railway Convention Committee in 1949. I am sorry to say that the recommendations made by this Committee have been more or less violated by the Administration all these years. I refer now to the Depreciation Reserve Fund. Yesterday Dr. Krishnaswami in his speech said that the Depreciation Reserve Fund is not sufficient and the Administration is not providing enough from the Budget towards this Fund. Whatever the financial theories on which he bases his conclusions, I must say as a layman that today the total accretions to this Fund are of the order of Rs. 107 crores. I quote from the recommendations of the Railway Convention Committee:

> ".....we consider that it would be adequate if the present rate of contribution were to be increased to Rs. 15 crores a year for the next 5 years."

Formerly it was Rs. 12 crores.

> "This amount would be the minimum contribution to the Depreciation Fund. Should the financial results of the operation of the railways permit additional contributions they should be made to the extent necessary and justified, having regard to other demands on the revenues of the Railway Undertaking."

I would like you particularly to mark the words "having regard to other demands on the revenues of the Railway Undertaking". Today we find a huge sum of Rs. 107 crores completely immobilised in this Fund, and on the other hand we see that the tempo of expenditure from the Depreciation Reserve Fund is not sufficient, so that the Railways, after nearly six or seven years of expenditure from this Fund, are not able to rehabilitate themselves. The reason for this is that we have to depend on foreign countries for our supplies. Therefore though we have a huge amount at our disposal in the Depreciation Reserve Fund, we are not able to rehabilitate our railways completely. Therefore, I strongly suggest to the hon. Minister that this Fund may be utilised in India itself. I would place one particular suggestion for his consideration, that is the erection of a steel factory by the Administration itself. On the face of it perhaps this suggestion may be rather ludicrous. But, instead of this huge fund earning 1½ or 2 per cent. interest every year, if this amount is invested by the Administration in the construction of a new steel plant, it can supply steel to the idle engineering industry in this country which can produce rolling-stock, rails, sleepers and other requirements of the Railway Administration, and incidentally we will be saved the botheration of having to get this material from abroad. In the context of the uncertain international situation of today, our supplies may not be regular and it may not be totally possible to get certain kinds of supplies at all. Therefore, this Fund should be utilised most beneficially by the Railway Administration, and my concrete suggestion in this direction is the erection of a steel factory by the Administration purely for the benefit of the Railways.

[SARDAR HUKAM SINGH *in the Chair*]

Dr. Jaisoorya (Medak): What will be its capacity?

Shri Viswanatha Reddy: One lakh tons.

Last year, I had an occasion to take part in the debate on the Railway Budget, and I very strongly suggested, as also a number of other hon. Members, that the freight structure should be radically altered. Many hon. Members stated, that the structure which is at present operating was based on the economy obtaining in the days of British rule, and the basis of that

economy was to get as much goods as possible from British territories. It was in the light of this policy that the rate structure has been fixed. But in a developing economy like ours, it is absolutely necessary that the freight structure of our Railways must conform itself to the needs of our country. I have made certain studies of the rate structures of various countries in their developing economies, and I have here a certain basic principle on which those structures are based. I would like to quote.....

Mr. Chairman: The hon. Member might not have enough time for quotations. He may give us the substance of that quotation.

Shri Viswanatha Reddy: Then I would just mention that the rate structure should be radically altered, in order that it may conform itself to the economy of our country.

Next I would like to refer to the new constructions that are to be undertaken. I am not particularly making any suggestion in this direction, but I would point out to the hon. Minister a passage from his speech, in which he has made a reference to this. It reads as follows:

> "The only way in which such construction seems to be possible is to provide for a recovery of charges on the basis of inflated mileage for a limited period so that the projects may not be financially burdensome."

Again, the hon. Minister has stated:

> "Although we are doing our best to improve and extend rail transport facilities in the country, I am aware that much more needs to be done. Considering the vast areas in our country which are awaiting economic exploitation through the introduction of satisfactory transport facilities, I feel it is necessary to adopt a bold policy of development and expansion of the railways."

So, the hon. Minister himself recognises that there must be a bold policy in the matter of new constructions. But what do we see now? Most of these lines are financed by the Development Fund, which itself is very small. Therefore, I would suggest that regardless of the financial implications, the hon. Minister must go ahead with new constructions, and connect the various parts of the country by means of better transport facilities both for the travelling public as well as for the expanding trade and commerce of our country.

Shri Debeswar Sarmah (Golaghat-Jorhat): Mr. Chairman, I am thankful for this small mercy, that is for five minutes granted to me for dealing with this subject. But when one speaking only for five minutes cannot develop a point, and I feel that I cannot do better than to invite the Deputy-Speaker to that part of the country and ask him to see in what wretched condition the transport there is so that Members from that area of India might receive due consideration. Unfortuately, the Deputy-Speaker is not here. (*Interruptions*).

An Hon. Member: The Minister is here.

Shri Debeswar Sarmah: I have no time to go into the broader aspects of the budget, much as I would have liked to, but I must rest content with listening to the analysis of the Railway Budget made by competent Members who have studied it. I have to deal very briefly with that part of India which has, for all practical purposes, from the standpoint of transport, been cut off from the rest of India by the partition of the country. In all seriousness, I pose the question to the hon. Railway Minister, who is not only a Minister holding the portfolio of Railways today, but if such an unhappy and unfortunate day comes, when India will be called upon to decide matters of active defence of the country, he will be one of those on whose shoulders the responsibilities of decisions will rest, will he then put that part of India outside the defence perimeter? What is his idea? I pose this question because when we raised the question of having

[Shri Debeswar Sarmah]

a bridge over the Brahmaputra, at Pandu or Jogighopa at first he was pleased to say that 'Yes, it will be taken into consideration'. Subsequently he corrected himself saying: 'Well, there is no traffic; there is not much traffic. Therefore, a bridge with the cost which it will involve may not be taken up in the near future'. May I ask, Sir, when weapon carriers are constructed, are they constructed keeping an eye on their capacity of hayload? The country across the border of India there is unsettled, this continues to be so now, and the position has become more difficult now, in the recent context of American arms and ammunition coming into the hands of Pakistanis. I hope they will not create trouble, but things will be considerably more difficult in the North-Eastern frontier, should there be any trouble anywhere. What is the transport position? Let us examine it. The only railway route to the upper part of Assam is through Nahorkottia; it is not in the hills, it is in the plains sub-division. The great earthquake in 1950 made the Railway bridge over the Debing river unusable. Thereafter some patch up repairs were made by putting in sleepers and other things. Then came a flood last year or towards the end of the year before which washed off the Assam Trunk Road off Khoang ghat. Thus for a whole month that portion of India, mean upper portion of Assam, was absolutely without any communication either by road or by rail with the rest of the country. Now, if the hon. Railway Minister will be pleased to take into account what amount of consumers' goods have been carried by air to Assam, then he will find out that the Assam Link railway is serving little purpose. I do not say it has not done anything. A tremendous achievement was this railway and considerable effort has been put in for proper carriage of commodities. But what proportion of the total commodities imported into the State has been carried by this railway? Let us remember that the river transport belongs to the R.S.N. and I.G.N. companies, which are European firms, and each and every employee of those steamers which ply there is a Pakistani. There is no non-Pakistani national there in employment in these steamers except perhaps one or two doctors. This is the situation that I would like you to reckon with in any eventuality.

Then, some machineries were fixed at Dibrugarh Railway workshop. Surreptitiously,—if I may use that word —those machineries were removed from Dibrugarh to Gorakhpur. I take it that the hon. Minister did not know about it. Then, when a question was put on the floor of the House in respect of this removal, it was stated that these machineries were meant for Gorakhpur, but since there was not enough space at Gorakhpur, at that time these were taken to Dibrugarh and installed there but when enough space was found at Gorakhpur, these were uprooted from Dibrugarh workshop and removed to Gorakhpur workshop. Will anybody believe such a cock-and-bull story, that these heavy machineries, though intended for Gorakhpur were transported from Bombay or Calcutta port to the farthest corner of India. Dibrugarh, because there was no place at Gorakhpur and then brought back. I hope such replies will not be given to us in future.

A portion of the Sibsagar-Khowang Railway line from Moranhat to Khowang, some 8 miles was dismantled during last war. If that dismantled portion is restored and railway line from Dibrugarh is extended on to Khowang, then this area of the State may be served much more safely and economically. Another matter which we raised before the hon. Minister for Railways in our deputation and also on the floor of this House was for connecting Tripura by a rail link from Kalkalighat in Kasimganj. An extension of only 18 miles is necessary May I know why work on this line has not been taken in hand? Although the Minister has prepared a long list of new proposals for expansion of Railways, it baffles us to under-

stand as to why the State of Tripura has not been sought to be connected by rail with rest of India. It only requires about 18 miles of extension That could have been easily done.

We are grateful that some survey is going to be done in the Garo Hills. Here also there is some suspicion. We do not know anything about the qualitative and quantitative survey of the coal in the Garo Hills. How can we have a survey of the traffic without this? I do not understand this. I hope this point will be made clear by the Minister of Railways. How does he mean to have a survey of the traffic in Garo Hills without a quantitative and qualitative survey of the coal possibilities in the Garo Hills? That is the point which we have not understood. I hope that on this ground the survey of the railway in Garo Hills will not be put off but all that is necessary will be done to effect the proposed traffic survey without delay. There was a cement factory at Chatak. That went to Pakistan after partition. We supply limestone to that factory but they do not supply us cement in return. We have to get cement from long distances. We have to pay for a bag of cement costing about Rs. 4/14 or Rs. 5/- in Calcutta, nearly Rs. 11/6 or 11/12 in upper Assam. Why can't we have a cement factory on our side of Garo hills and stop supply of lime stones to Chhatak?

Sir, other commodities are transported to Assam at exorbitant expenses by air and the consumers in Assam are bled because it is on them the heavy transport charges are saddled. Cement and corrugated are far too heavy goods to be generally lifted by air. Therefore there is great scarcity for cement and corrugated iron sheets in the State of Assam. Although the Ministry of Commerce and Industry regularly allots due quota for Assam, the same, for say, practically for 6 months in a year, or half the quantity allotted, cannot be lifted because of transport difficulty. Therefore there is chronic scarcity of cement and C.I. sheets in Assam.

Coming to the point of ticketless travel, it was mentioned at one time that the number of ticketless travellers is the largest in the north-eastern portion of that Railway zone. We are grateful to the Minister for having set up a Committee of Enquiry for amenities and other things and that it found that there was a lot of ticketless travel. But, we do not know till now what steps have been taken to check that. It was found by the Committee that station counters for sale of tickets are not timely opened. In that part of the country, indiscipline among the railway employees, particularly the young generation, is considerable. At one time, when this matter was reported to the predecessor of the present Railway Minister, he said, "I cannot take rotten potatoes from Assam for the other bags of good potatoes in other areas will also get rotten in contact." How long are we going to rot with these rotten potatoes? There is indiscipline among a large section of the railway employees. I would request the Railway Minister to take appropriate action against those who show dereliction of their duty. Till the State took police action in certain districts, there was trouble off and on in the Railway colonies and station platforms. When one goes to the railway waiting room, he finds people sitting on the chair and putting their legs on the table, and a paying passenger cannot have the convenience in the waiting room. Sir, those things should be properly gone into by superior officers and some sort of planned action taken to correct undesirable conduct on the part of Railway employees towards the passengers and the public.

Lastly, this may sound provincial, but this humble self claims to be one who, as a result of his life association with the great Congress organisation, does not consider with provincial out-look while treating things, and when talking about these. I find that in our denunciation of provincialism and racialism, there is a wide gap between profession and practice.

An Hon. Member: Rub it in.

Shri Debeswar Sarmah: Not to speak of higher offices, the Assamese do not

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find place in class IV grade of employees in Assam section of the Railways. If you go to Chittaranjan, you do not find a single man from that State, not even among the class IV menials. The inference is very easy; it may be stated that Assamese are not competent. But, when they get an opportunity, they show their competence? Of course, how to remedy this state of affairs one does not know. But it is up to the welfare state to hold the balance even, and remedy such ominous defects. There was a trade-apprenticeship class in Jharsuguda. Suddenly an order went that the class must be abolished, and it was abolished. There were four students there and they made representations. They came to me with their grievances, and I also wrote to the Government. The reply from the Government was vague and it was said that the class was temporarily closed, but would be opened again. It is very difficult to understand what the reply means. Why should such things happen? While I say these things, I am not unappreciative of all that the Minister has done. I do not suggest for a moment that the Railway Minister has got "Allauddin's Lamp" and he should produce miraculous achievements overnight. He deserves compliments for all he has done and that is not insignificant. There is the question of priorities and I am seeking to emphasise on this point. When the question of a bridge over Brahmaputra is talked about, why raise the question of rupees, annas and pies when the bridge is vitally necessary for Defence purposes as well as for development of an underdeveloped State? In short, this area has been long neglected, and when we had our own Government, the people thought that things would improve. It is only from that angle that the whole matter is to be viewed.

Shri P. Subba Rao (Nowrangpur): I would only bring a few points of importance to the notice of the hon. Railway Minister. One is about the necessity of constructing lines within large areas not served by Railways. Prior to the year 1946, some surveys were undertaken to fill in wide gaps. If you look at the map of India, you will see that Rajasthan which is a desert and Orissa and Madhya Pradesh are sparsely communicated by railways. Having regard to that point, I say that new lines should be constructed where there are no other means of communication such as roads and canals and the area is a hinterland inhabited by backward tribes. Prior to 1946, two important surveys were undertaken—one from Rourkela to Talcher and the other from Sambalpur to Titlagarh—but there is no reason why the surveys already undertaken were not carried out when new lines were thought of. There ought to be weighty reasons if the old surveys are to be overlooked and new lines are to be undertaken. Another line was surveyed about 1950 from Visakhapatnam to Raipur and this also was neglected, and now new surveys are being undertaken. I say that the Railways have no policy with regard to the construction of new lines. In the matter of distances from the district headquarters, let me cite a few instances in Orissa and Madhya Pradesh, where the places are far away from the railway line. For instance, Jagadalpur is 121 or 136 miles away from the railway station; Surguja in Madhya Pradesh is 70 miles away. In Orissa, Pulbani is 105 miles away from Berhampore; Koraput is 56 miles away and Keonjhar is 70 miles away. Apart from the point of veiw of these long distances, there is the necessity to look to the improvement of these two States, inhabited by aboriginal Tribes to a great extent.

With regard to the question of reduction of fares, there is the classification of fast passenger and express trains. It is only a case of the public being duped. For instance, between Kharagpur and Howrah there is the Nagpur-Howrah Passenger which runs even faster than the Janata Express, for which a higher fare is charged. I can point out several similar instances.

In Ajmer-Khandwa section, there is no difference between the express train and the passenger. The express takes 21 hrs. 48 minutes, while the passenger takes 22 hrs. 9 minutes. There is practically no difference in the running time, but a higher fare is charged for the express. Again, for broad, metre and narrow gauge, the same uniform fare is charged, though the costs of construction and equipment vary in each case and the service rendered to the public in running hours in each case is different. The trains on the narrow gauges run very slow. There is no necessity to run the narrow gauge trains if they are not remunerative. In view of the bus transport nowadays, which runs at the rate of about 20 miles per hour, why should there be a narrow gauge train running at eight or nine miles per hour? If they are unremunerative instead of burdening the tax-payer, they can as well be closed down.

Pilferage of goods and parcels in transit is on the increase and no adequate steps are taken. Sometimes contents of parcels are pilferred and stones are put in. This can only be done with the connivance of the railway staff. Railway servants themselves very often resort to this. The Railways have to meet all these heavy claims.

While thousands of applications are received in response to advertisements by the Railway Service Commissions, I doubt whether there is any machinery to scrutinise these applications. Again, if the Commissions are to serve any useful purpose, there must be one for each zone. Hitherto recruitment to railway services was left to the officers themselves with the result that recruitment was confined to relatives of railway servants. Now, though Service Commissions have been set up, deserving candidates are shut out.

I would like to make a few suggestions in regard to amenities to passengers. I do not think any useful purpose is served by the dining cars. So far as the higher class passengers are concerned, it is admitted that dining cars are run at a loss; the money that is earned is mainly from third class passengers who are served meals in *thalis*. Even then they are running at a loss. When there are hotels and refreshment rooms on the platforms there is no necessity of running dining cars at a loss. Or, else, they may be left to contractors. There are two hotels run on western style at Puri and Ranchi on the old B. N. Railway. The Englishman established them for the benefit of English tourists. Now they are not patronised by anybody. The hotels themselves are not on the platform but in the city. I have authentic information that both of them are running at a loss. The sooner they are closed the better it is.

While reservations are made at the starting stations, there is no safeguard against over-crowding by passengers getting in at intermediate stations. While passengers are allowed to enter in and get out through the windows, there is no meaning in reservation. In spite of the fact that trains arrive crowded, tickets are issued at way-side stations. That means no adequate check is exercised in the issue of tickets. It should be the duty of the guard of a train to intimate the station ahead about the number of seats available and tickets should be issued according to the accommodation available. Only a few weeks back at Allahabad I saw about a thousand and five hundred Mela Passengers with tickets waiting to board train which was coming completely packed. In such cases there is no meaning in issuing tickets. If people want to go on Mela pilgrimage they must go by special trains; ordinary trains are not meant for Mela pilgrims.

Beggary and hawking in running trains go on unabated. The only method of stopping beggary is to stop the train between two stations and alight the beggars. Once a beggar knows that he will have to alight on the way-side, he will not get into a train. Ticket collectors and station

[Shri P. Subba Rao.]

masters complain that they have no time to check the beggars.

With regard to ticketless travel, there is an unholy alliance between at least some of the ticket examiners and the station staff and the passengers are carried free and passed through the gate. There must be some check to prevent this. About smoking in third class carriages, the rule is that it is permitted with consent of the other passengers. Is it possible to obtain any consent? Every person begins to smoke. I suggest to the Railway Board to amend the rule so that no smoking is allowed. After every one and a half or two hours there is a junction where the train stops for ten to fifteen minutes and passengers who wish to smoke can get down, smoke and then get in. Recently, I read in papers, that there was a fire accident because some inflammable material, petrol or something, was carried and a cigarette end carelessly thrown set fire to it. How can these accidents be prevented except by the prevention of smoking especially in the inter and third class carriages?

श्री राधेलाल व्यास (उज्जैन) : सभापति महोदय, मुझे आपने बोलने का समय दिया इस के लिए मैं धन्यवाद देता हूं ।

इस वर्ष के बजट में जो बहुत सी विशेषतायें हैं उनके लिए मैं माननीय मंत्री जी को बधाई देता हूं । सब से बड़ी बात जो उन्हों ने की है वह यह है कि उन्हों ने रेलवे विभाग में हिन्दी को स्थान दिया है । ज्यादा अच्छा होता यदि वह सरकारी कर्मचारियों को यह हिदायत देते कि वह कुछ समय के अन्दर हिन्दी सीख लें और हर १५ दिन बाद अपनी प्रोग्रेस रिपोर्ट भेजते रहा करें । अगर ऐसा हो तो हिन्दी बहुत जल्द फैल जायगी ।

दूसरा अच्छा काम जो उन्हों ने किया है वह यह है कि रेलवे के काम के लिए खादी लेने का निश्चय किया है । इस के साथ ही यदि वे उन लोगों को जो कि रेलवे से सम्बन्धित हैं, जैसे कि ठेकेदार आदि, यह आदेश देते हैं कि वे भी खादी या हैंडलूम के कपड़े का प्रयोग करें तो मेरा ख्याल है कि इस से हमारे देश में बहुत से लोगों को रोजगार मिल जाता और रेलवे में भी खादी का अधिक प्रचार होता ।

निर्माण कार्य में भी बहुत प्रगति हुई है । काफी खरीद हो रही है । बहुत से इंजिन भी आ रहे हैं और चितरंजन में दो दो तीन तीन शिफ्ट काम कर के २०० इंजिन बनाने का प्रयत्न किया जा रहा है । इस से ज्यादा खुशी की बात और कोई नहीं हो सकती है ।

यात्रियों की सुविधाओं के लिए भी काफी प्रयत्न किया जा रहा है लेकिन कई माननीय सदस्यों ने बतलाया है कि अभी तीसरे दरजे के यात्रियों की सुविधाओं की ओर ज्यादा ध्यान देने की जरूरत है । उदाहरण के लिए, श्री राघवाचारी ने कहा, दक्षिण में बड़ा अच्छा भोजन मिलता है । मैं भी गत वर्ष उधर गया था । मैं भी कह सकता हूं कि अच्छा ही नहीं बल्कि दस आने में भर पेट भोजन मिलता है । लेकिन इधर उत्तर में सवा रुपये में भी ऐसा भोजन नहीं मिलता । ज्यादा अच्छा होता यदि हम इस काम को आल इंडिया विमैन्स फूड काउंसिल के सुपुर्द कर देते । मैं समझता हूं कि वे ज्यादा अच्छा काम कर सकेंगी ।

दूसरी बात जो मुझे आप की सेवा में निवेदन करनी है वह यह है कि किसी स्थान पर सुविधायें हैं और किसी स्थान पर नहीं हैं । तो मैं यह कहना चाहता हूं कि योजनाबद्ध काम नहीं हो रहा है । आपको यह विदित है कि दक्षिण में यात्रियों को सुख सुविधायें देने के लिए रमन कमेटी बनी थी और इसी तरह से

आसाम में भी एक कमेटी बनी थी । ज्यादा अच्छा होता अगर सभी जोनों के लिए इस तरह की कमेटियां बनायी जातीं और वह देखें कि कहां कहां क्या क्या सहूलियतें हैं और कहां कहां किसकी जरूरत है और वह कमेटी एक योजना बनाकर और प्रायरिटी देकर फिर उस काम को करे तो ज्यादा अच्छा होगा और पैसा भी फिजूल खर्च नहीं होगा और लोगों को शिकायत का मौका नहीं रहेगा । आज बहुत से लोगों को शिकायतें हैं । मैं उदाहरण के तौर पर बतलाता हूं कि खाचरौल के स्टेशन पर जहां कि बहुत यात्री होते हैं वहां पानी की सुविधा नहीं है और मेहिदपुर आदि बहुत सी ऐसी जगहें हैं कि जहां यात्री कम हैं लेकिन वहां पानी मिलता है । तो इस तरह की जो चीजें हैं वे दूर होनी चाहियें, और यह तब तक नहीं हो सकता जब तक कि योजनाबद्ध काम न हो । यह कहा जाता है कि हमने एडवाइजरी कमेटीज नियुक्त कर दी हैं लेकिन सारी चीजें उनके सामने नहीं हैं । इसलिए जैसा कि दक्षिण में और आसाम में किया गया है वैसी ही कमेटियां और जोनों के लिए भी मुकर्रर की जानी चाहिएं, दूसरे भोपाल और उज्जैन के बीच और उज्जैन और नागदा के बीच थोड़े साल हुए दो तीन गाड़ियां चल रही हैं, पर इन सब गाड़ियों में से एक्सप्रैस ट्रेन कोई भी नहीं है । मैं मंत्री महोदय से निवेदन करूंगा कि तीन गाड़ियां जो हैं, इन में से एक एक्सप्रैस ट्रेन कर दें तो इस कोई पैसा तो लगने वाला नहीं है, पर इस तरह एक एक्सप्रैस ट्रेन हो जाने से वहां यात्रियों को बहुत सुविधा हो जायगी ।

इस के अलावा मैं निवेदन करूंगा कि मध्य भारत में पहले सिन्धिया स्टेट रेलवे थी । अब की बार खुशी की बात है कि माननीय मंत्री महोदय वहां पधारे और उन्हों ने वहां की स्थिति देख ली । सिन्धिया स्टेट रेलवे जब थी तो उस के केन्द्र द्वारा लिये जाने पर उस रेलवे से दो तीन करोड़ रुपया नगद भी केन्द्र को मिला । लेकिन केन्द्र में आने के बाद उस की हालत बहुत खराब हो गयी है । यहां ग्वालियर से शिवपुरी तक जाने में छः घंटे लगते हैं जब कि बस से दो घंटे में ही पहुंचा जा सकता है । किराया भी यहां पर ५ पाई के बजाय साढ़े सात पाई प्रति मील के हिसाब से लिया जाता है । इस रेलवे की हालत जो इतनी खराब है, इस की ओर आप को ध्यान देना चाहिये, विशेष कर इस परिस्थिति में कि मध्य भारत से आप को इस रेलवे से पैसा भी नगद मिला है । मैं चाहता हूं कि इस नैरो गेज को मीटर गेज कर दिया जाय । यह नैरो गेज नक़शे में आप देखें तो वहां तो यह दिखाई देती है, लेकिन इस से जनता को कोई लाभ नहीं है और न सरकार को ही इस से लाभ होता है । जहां पहले मध्य भारत गवर्नमेंट को इस से लाभ था वहां अब सेंट्रल गवर्नमेंट को इस लाइन से प्रति वर्ष आठ दस लाख रुपये का नुक़सान होता है और इस लाइन से लोगों को भी तकलीफ है । मेरा सुझाव है कि यहां मीटर गेज लाइन हो जाय । वह ग्वालियर से भिंड हो कर जाय और इटावा को कनक्ट कर दिया जाय । इस के बाद ग्वालियर से शिवपुरी तक मीटर गेज हो कर लाइन निकले । फिर शिवपुरी से गुना हो कर आगरा होती हुई वह लाइन उज्जैन में मिल जाय । इस तरह से दक्षिण से उत्तर को एक मीटर गेज लाइन से मिलना चाहिये । यह देश के लिये बहुत जरूरी है कि मीटर गेज से उत्तर से दक्षिण तक सम्बन्ध हो जाय । पहले यह योजना रेलवे बोर्ड के सामने भी थी । यह स्ट्रैटजिक प्वाइंट आफ व्यू से भी जरूरी है कि हमारे दक्षिण का उत्तर से मीटर गेज से सम्बन्ध हो । मैं समझता हूं कि रेलवे बोर्ड इस ओर ध्यान देगा ।

चेयरमैन महोदय, मैं आप से यह निवेदन करता हूं कि मध्य भारत ही एक ऐसी स्टेट है कि जहां से मुझे अकेले ही बोलने का चान्स

[श्री राधे लाल व्यास]

मिला है और वह भी तीन दिन तक यहां लगातार बैठते रहने के बाद। अब और राज्यों से पांच पांच और छः छः सदस्य भी बोल सके हैं। इसलिये आप की इजाज़त हो तो मैं थोड़ा और बोल लूं।

मिस्टर चेयरमैन : आप बोलिये।

श्री राधेलाल व्यास : मैं एक बात आप से यह निवेदन करता हूं कि नयी गाड़ियों के लिये मन्त्री जी ने बतलाया कि पैसा कम है, आमदनी अधिक नहीं है और आमदनी बढ़ाने का कोई अभी स्थान दिखता नहीं है। मेरा यह निवेदन है कि आमदनी जो बहुत ज्यादा हो गयी है उस में से कुछ अंश निकल जाता है। मेरा यह अनुभव है और उस के आधार पर मैं कह सकता हूं कि बहुत से टिकट कलैक्टर इस रेलवे की आमदनी में से बहुत सा रुपया अपनी जेबों में रख लेते हैं। मैं ने खुद देखा है कि यह टिकट कलैक्टर अपने इष्ट मित्रों और रिश्तेदारों को बग़ैर टिकट ट्रैवल कराते हैं। अगर इस सम्बन्ध में सख्ती से अमल किया जाय और ये सब लोग टिकट लें तो लाखों रुपये की आमदनी हो सकती है।

इसके अलावा तीन चार करोड़ रुपया हमें जो माल चोरी में चला जाता है उस के नुक़सान का देना पड़ता है। चोरी कौन करता है ? श्रीमान्, चोरी यही रेलवे वाले करते हैं और यह सारा पैसा पबलिक का और टैक्स पेयर का जाता है। इस के लिये आप ने जो ऐंटी करप्शन स्टाफ या सिक्योरिटी स्टाफ़ रखा है, उस से कोई लाभ नहीं होने वाला है, यह चोरी उस से बन्द होने वाली नहीं है, क्योंकि वह सब रेलवे बोर्ड के मातहत ही हैं। इन का अलग डाइरैक्ट किसी और से सम्बन्ध होना चाहिये और इन को रेलवे बोर्ड के मातहत नहीं होना चाहिये, क्योंकि रेलवे से मिलने वाले ही चोरी करते हैं, बग़ैर उन की मदद के चोरी नहीं हो सकती है। रेलवे यार्ड में कोई दूसरा आदमी जा कर कैसे चोरी कर सकता है यह ग़ैर मुमकिन बात है कि कोई चोरी कर सके। मैं ने कई रेलवे वालों से बातें की हैं और उन्हों ने माना है कि यह चोरियां रेलवे वालों से ही होती हैं और इन के लिये वही जिम्मेदार हैं।

अब अन्त में मुझे सिर्फ एक बात यह निवेदन करनी है कि इन्दौर उज्जैन ब्राड गेज लाइन की ओर कोई क़दम अभी तक नहीं उठाया गया है। आप को मालूम है कि चंडीगढ़ नयी राजधानी अभी बनी है और उस के लिये फौरन् हुक्म हो गया कि उस को मिला दिया जाये। लेकिन हम पार्ट बी स्टेट के हैं। हमारे वहां बड़ी बड़ी इंडस्ट्रीज़ होते हुए भी यह लाइन नहीं बन सकी, अभी केवल वहां सरवे ही हो रहा है। सरवे भी वहां तीन तीन जगह का हुआ। मैं माननीय मंत्री जी से यह निवेदन करूंगा कि उज्जैन का महत्व विशेष है। ब्राड गेज वहां है, मीटर गेज वहां है और नैरो गेज भी है। तो उज्जैन को छोड़ कर तराना और मक्सी को नया जंक्शन आप बनायेंगे तो इस से कोई लाभ नहीं होगा, बल्कि इस में ज्यादा खर्च होगा। ब्राड गेज के लिये इस तरह तीन तीन जगहों का सरवे करा कर बहुत रुपया खर्च किया गया है अगर मक्सी या तराना को चुना गया तो इस से तीस मील की और ज्यादा डिस्टैंस बढ़ जायगी और सफर भी बढ़ जायगा। इसलिये उज्जैन से ही वह ब्राड गेज लाइन हो यह मेरा निवेदन है। इस के लिये खास तौर से उज्जैन के लोगों का और इन्दौर के लोगों का भी आग्रह है और मैं आशा करता हूं कि माननीय मंत्री जी इस के लिये मंजरी देने की कृपा करेंगे।

बातें तो मुझे और भी करनी थीं लेकिन मैं अब जो थोड़ा समय मिला उसी में मैं यह अपनी बातें रख कर आप को धन्यवाद देता हूं

Shri Nevatia (Shahjahanpur Distt.—North *cum* Kheri—East): Sir, the hon. Minister for Railways deserves our warm congratulations for the very able manner in which he has presented the Railway Budget. Throughout his speech there runs an undercurrent of human approach and sympathetic understanding of all problems connected with the Railways. I find in his speech a determination to give the largest possible benefit to the community through the railways. Even those who are usually tempted to criticise all that the Government does irrespective of the merits of each case have not been able to find any serious fault with the Railway Budget and have said that in the present circumstances the hon. Minister could not have done better.

After the formulation of the first Five Year Plan and its endorsement by the Parliament, the budgets have ceased to be merely a statement of receipts and expenditure. Each sector of public or private activity has been assigned a definite role in that plan and each sector will be judged from the point of view of its contribution to the fulfilment of the objectives laid down in the Plan. Railways, unfortunately, started the Five Year Plan with a great handicap. They had a backlog of over-aged locomotives and over-aged wagons and coaches, accumulated over the last twenty years or more. We inherited a war-shattered economy in which railways were probably the worst sufferers. It is a matter of satisfaction that in spite of this a great deal has been done to bring down the percentage of over-aged rolling-stock. Out of 8209 locomotives as on 1st April 1951, 31 per cent. were over-aged on that date and but for the replacements, partly by indigenous production and partly by imports, this percentage would have risen to 44 at the end of the Plan period. With the replacements undertaken, it is estimated that the percentage of the over-aged locomotives at the end of the Five Year Plan will be 24 per cent. Even this figure is high. But the backlog of twenty years cannot be wiped out in five years without stopping other vital activities and urgent railway expansions undertaken in the national interest. It is, however, necessary that the tempo of the indigenous production should be stepped up not only with a view to effect the necessary renewals and expansions in the traction power as early as possible, but also to minimise our dependence on foreign imports and to mitigate the evil of unemployment by fostering production in the country. The hon. Minister proposes to investigate the utilisation of idle capacity in the engineering industry as per the findings of the Moolgaonkar Committee to make the country self-sufficient in the matter of production of railway materials and rolling-stock. I hope this matter will be pursued vigorously and not only existing capacities within the country will be fully utilised, but new capacities created to achieve as large a measure of self-sufficiency as may be possible.

In the case of wagons, the position with respect to replacements is more hopeful. There were nearly two lakhs wagons on the line out of which 24 per cent. were over-aged and the percentage would have risen to 37 without replacements at the end of the Five Year Plan. It is now estimated that at the end of the Five Year Plan, there will be 2,31,000 wagons on the line, showing an increase of 15 per cent. in wagon supply while the percentage of over-aged wagons is expected to be only seven per cent. It is a matter of great satisfaction that the built-up capacity will make India completely self-sufficient in the matter of arranging for supply of wagons.

Regarding coaching vehicles also, the progress of replacement has made sufficient headway and with the Integral Coach Factory at Perambur coming into existence we expect to become self-sufficient in this matter also. Commendable as this progress has been, I am sure that nobody is more conscious than the hon. Minister of the fact that much more remains to be done to meet the expanding economy of the country.

Mr. Chairman: The hon. Member has got a pretty long note to read out.

[Mr. Chairman.]

I therefore request him to continue tomorrow as we have to take up other business now.

REPORT OF I.F.C. ENQUIRY COMMITTEE

5 P.M.

Mr. Chairman: Now we get on to the next business. It is a Motion by Dr. Lanka Sundaram in which the Report of the Industrial Finance Corporation Enquiry Committee is to be discussed. I may for the information of hon. Members read the rules which have a bearing on this matter.

Dr. Lanka Sundaram (Visakhapatnam). Mr. Chairman, it is not a Motion, if you will permit me to say so.

Mr. Chairman: No formal Motion is to be made. We have got two rules.

> "There shall be no formal motion before the House nor voting. The member who has given notice may make a short statement and the Minister shall reply shortly. Any member who has previously intimated to the Speaker may be permitted to take part in the discussion."

It has a limited scope. Some hon. Members have expressed their intention to participate. But, only those who have given notice beforehand could be permitted. It would be difficult for me to allow any other Members.

Shri Gidwani (Thana): Have you received my name? I have sent it half an hour ago.

Mr. Chairman: His name is there.

Then, because the number of hon. Members desiring to participate is fifteen, it is necessary to limit the time, and I would request the hon. Members to stick to that time that we fix now. The Mover, I suppose, would take 15 minutes.

Dr. Lanka Sundaram: May I make a submission? Ever since this two-hour procedure was introduced, the Mover has always had half an hour. Otherwise, there is no purpose in going over the entire documentation. I will try to shorten it as much as I can.

Mr. Chairman: I was told by the Deputy-Speaker that the Mover will take 15 minutes. I have no objection to extend it to 20 minutes if the hon. Member is so particular . I would like to know how long the hon. Minister in likely to take.

The Deputy Minister of Finance (Shri A. C. Guha): I would like to take half an hour.

Mr. Chairman: I would request the hon. Minister also to curtail the time at least to 15 minutes. I have got a list of 15 Members. Even if I give five minutes to each Member, it would leave me 25 minutes. Would twenty minutes suffice?

Shri A. C. Guha: If I am to reply to all the points mentioned by the hon. Members, I would like to have half an hour. I would not make any particular demand for time. Only I would like to have adequate time to reply to the points raised by the hon. Members.

Mr. Chairman: It means that even if the hon. Members who have given their names would confine themselves to five minutes, we will have to sit longer.

Some Hon. Members: Yes.

Mr. Chairman: That is all right. I would also like to say that if all the Members want that they should have a chance, they should stick to the time and give their points only and not go on spinning long arguments. Then, it would be difficult for us to finish it.

Now, I request Dr. Lanka Sundaram to make his statement.

Dr. Lanka Sundaram: I desire to raise this discussion on the report of the Industrial Finance Corporation Enquiry Committee, as a matter of

urgent public duty. During the course of my speech I propose to show how the aims and objectives of the Industrial Finance Corporation have not been attained. I would also attempt to show how there is hedging and even protection given at the highest possible level not only to the functionaries of the Corporation, but also to the businessmen who are associated with its activities. I would also show how a ring of businessmen has netted a rich harvest as a result of the activities of this Corporation, during the past five or six years. Finally, I would like to show how the officers of the Government of India, in league with the businessmen concerned, have attempted to set up a small kingdom and how they are running it. And more than anything else, I propose to show, with your permission, how there is a great and tremendously urgent need for an amending bill so that the fortunes of this Corporation would be regulated on the most approved and adequate lines.

Before I develop my points, I would like to ask the Minister in charge of this debate two or three simple questions. When did the Sucheta Committee submit its report? I find that the report was signed on the 1st of May last year. When was the Resolution of the Government of India published? That was on the 3rd December last. In other words, Government have taken seven months to arrive at conclusions on an Enquiry Committee's Report, and the Committee, you will recall, did not have much more than five months to complete its investigations. And what is the substance of the Resolution? You will find that the most important section of the Report dealing with what is known as the Sodepur Glass Company business has not been disposed of in this Resolution of the Government.

The point I wish to make in this connection is very simple, very emphatic, and I would like to draw the attention of the hon. Finance Minister who happens to be here, to this question, viz., if only the Committee had been given a little more time, they could have made a more thorough job of the tasks entrusted to their care.

You will see that ever since the inception of this Corporation, at the highest possible level there has been intervention to protect the activities of the functionaries connected with it. I am sorry to say here that on the 27th November, 1952, no less a person than the Prime Minister of this country intervened in the debate and said —I am quoting—

> "The operating concerns are entitled to such secrecy which is customary between a banker and his customer with regard to his banking transactions and it would not, therefore, be in public interest to furnish this information."

—that is, the information demanded by hon. Members of this House about the activities of this Corporation.

The Prime Minister again intervened with another statement on the 2nd December, 1952 in language which is equally emphatic and almost identical. It so happened that I intervened in the debate on the Amending Bill to this Corporation Act. That was on the 2nd December, and I remember I asked the Prime Minister—I am quoting the text:

> "I would very much like to know from the treasury benches whether the assurances given by the Finance Minister were verbal, secret and not on record; whether, more than anything else, this hon. House, this sovereign Parliament of the country, should wait upon the convenience of a Minister of Government to be in this country, to be present in this House, to give this information on a Bill of this character."

I am quoting this for record purposes only to show that if only there was no attempt made to shield people from the very inception of this Corporation, this tragic tale of the enquiry and the findings and the sequel to the findings would not have been unfolded

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in this debate today. After all, the protection sought to be given, the hedging sought to be made was of no use and all the details are now before the hon. House and also before this country today as a result of this enquiry.

The second point I would like to make is very interesting and important for my purpose. I have the greatest personal regard for Mr. Guha who is in charge of this debate this afternoon. It so happened that when the Amending Bill on the Corporation was before this hon. House in November-December last, Mr. Guha was occupying a seat just in front of me, and, as I have said, he is a man of sterling character, a man of integrity, a man known for great public spirit, who has spent nearly a quarter of a century in British jails, and today, unfortunately for us—and not for him, I am sure—he is in charge of this debate. He has to reply for a Government which was unable to regulate the activities of this Corporation during the past several years.

I would only quote him briefly, not to score a debating point, but to ask him to tell this hon. House what he has done ever since he has become a Deputy Minister, to set right matters about which he spoke so eloquently in November-December last. He spoke on the debate on the Amending Bill. I am quoting some of his principal points:

> "I have mentioned several times that this Corporation worked in a way which does not benefit the comparatively poorer sections of our industrialists and businessmen".

I am citing another quotation from his speech:

> "I mentioned several times and I may defend the allegations that unless the industry can get some of the influential Directors of the Corporation to be interested in their particular concern, that concern can hardly expect to get any loan from the Corporation."

I can go on making a complete summary. I have got the entire record here, but I am quoting only these two illustrations in order to ask my hon. friend to tell this hon. House in this debate what he has done in regard not only to the recommendations of the Sucheta Committee's report, but also in regard to his own statement made before. Then I shall give one final quotation:

> "When I make this allegation I know my responsibility, and I expect that my Government will take this allegation seriously and make serious enquiries into these allegations."

That was Mr. Guha, then.

Shri A. C. Guha: I think at that stage, Babu Ramnarayan Singh intervened, and I also replied to him.

Dr. Lanka Sundaram: I am sure my hon. friend will have the fullest opportunity to reply. I have quoted him factually, not out of context, and I repeat again that it is for him to tell this House what is being done to remove the blemishes which he has so wonderfully and eloquently exposed in November-December 1952.

Before I proceed further, I would like to put one final question, as a preliminary. What is the role of my hon. friend Shri A. C. Guha in getting drafted that Resolution of Government on 3rd December last, on the recommendations of the Sucheta Committee? In other words, I am suggesting very seriously, and with respect towards him personally, that he has attempted to tone down the action which Government should have taken on the recommendations of the Sucheta Committee. and I shall be glad to have an answer from him in due course.

I may mention that paragraph 22 of the Sucheta Committee's report is most important for our purposes this afternoon. I am quoting:

> "We do not either support another view advanced that the Corporation, being a credit institution, should be governed by the analogy of the Banking Companies Act under which the grant of secured loans by a bank to its Directors is not prohibited. The Members of the Board of Directors of a public institution, like the I.F.C., should be above suspicion and we recommend that any concern in which a Director of the I.F.C. is a Managing Director or a Director/partner/share-holder in the Managing Agency concern should not be eligible for grant of loan by the Corporation."

And what are the facts revealed by this Inquiry Committee? I have, for the sake of convenience, summarised the results, and here they are. Out of 12 Members of the Managing Directorate, 6 have received loans from the Corporation, the details being as follows:

Name of Member	No. of Companies	Amount
Shri L. Shri Ram (Chairman)	8	Rs. 2·45 crores
Shri R. G. Saraiya	6	Rs. 2·21 crores
Shri V. P. Varde	7	Rs. 1·85 crores
Shri L. S. Vaidyar nathan	5	Rs. 1·90 crores
Shri Birendra Nath Mookerjee	1	Rs. 15,00,000

Even Professor D. R. Gadgil has got for one company Rs. 13,75,000.

Now this is the analysis of the appendices to the Sucheta Committee's Report. All these points work out as follows. Out of the total of Rs. 15,22,70,000 of loan money granted up to 31st December 1952, a sum of Rs. 8,59,17,000 has been given as loans to these six Members. In fairness to the Directors, I would like to make an observation—and I would like the House to bear with me on this point—in this connection. It so happened that I analysed all these loan transactions, and I find that more than one Director of this Corporation was interested in more than one company which was given a loan. And when this offset is made, it works out as follows. Out of Rs. 8,59,00,000, the total loans granted Rs. 2,36,00,000 are accounted for by more than one Director of the Corporation being a Director of these companies, with the result that out of Rs. 15,22,70,000, the total transactions of the Corporation, the net amount to which the Directors have benefited is Rs. 6,33,00,000, up to the moment the Sucheta Committee brought up its report.

Now look at the effrontery of the Board of Directors? I am quoting from the relevant portion of the document 'Views of the Board of Directors of the Industrial Finance Corporation on the Report of the Industrial Finance Corporation Enquiry Committee, 1953' to show what the Board of Directors feel in regard to this particular matter Here is the quotation:

> "The Board consider that such a limitation is unduly restrictive and unfair to those concerns which may have sound proposals for the use of the I.F.C. loans, but whose Managing Director or Director/Partner/Shareholder in the Managing Agency concern happens to be on the Board of Directors of the Corporation. It is also felt that the acceptance of such a suggestion may make it difficult to obtain the services of men with sound business experience to work on the Board of the Corporation."

What services they render, I would like my hon. friend Shri A. C. Guha to tell this House and the country. There is one other small point in this connection. It so happened that the Chairman of the Executive Committee is Shri V. R. Sonalker who is, also the last in the list of members on the Board of Directors, and Shri L. Shri Ram, who is the Chairman of the Board of Directors becomes a member of the Executive Committee, as Shri V. R. Sonalkar's No. 2, and their roles are reversed in this manner. This sort

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of dual control is something extraordinary which I have not come across in any company management.

I will give here some of the tabulated results of the Industrial Finance Corporation Enquiry Committee's Report.

(i) *Jay Engineering Works Limited*: Rs. 36 lakhs given as loan. The Committee noted:

(a) Company grossly under-capitalised;

(b) no amortisation funds;

(c) no independent valuation; and

(d) should not have been permitted to repay monies borrowed earlier.

(ii) *Bengal Potteries Limited*: Rs. 20 lakhs given as loan. The Committee noted:

(a) Corporation has no representative on the Board of the Company;

(b) out of this loan, Rs. 16 lakhs was towards repayment of the loan from the Punjab National Bank, the remaining Rs. 4 lakhs for the acquisition of non-productive assests, such as canteen for workers, office building, library and hospital; and

(c) accounts manipulated, because the Company came to the conclusion that depreciation of Rs. 3·53 lakhs shown on the book value of fixed assets 'is *prima facie* out of proportion'.

(iii) *Orissa Textile Mills Limited*: Rs. 50 lakhs given as loan; paid up capital Rs. 65 lakhs; total cost of project Rs. 118 lakhs; and loan given Rs. 50 lakhs. The Committee noted:

> "Without provision for any working capital at the time of loan application, Company had fixed assets of only Rs. 46·48 lakhs and received already a loan of Rs. 30 lakhs from the Orissa Government. ..... The Ministry of Industry and Supply, Government of India, favoured the granting of a loan, though they pointed out that in view of the high capital cost of the Mill, it would not be in a position to make sufficient profits to declare a dividend for the first three to five years."

Now, who are the partners of the Managing Agents of this Mill? One is the son-in-law of the brother of Shri L. Shri Ram, *viz.*, Shri Pratap Singh, and another is Shri B. Patnaik of the Kalinga Corporation etc. with which one of the then Ministers here was concerned.

There is one very important point. In the Resolution of Government, there is a very extraordinary statement which I would like to draw the attention of the House to. The Resolution says:

> "Government have no hesitation in agreeing with the Committee that the charges of nepotism and favouritism against the Corporation have not been proved."

I would like to ask my hon. friend, Mr. Guha, to point out to this hon'ble House one single statement warranting this conclusion as incorporated in the Resolution of the Government of India on the findings of the Inquiry Committee. As a matter of fact, Sir, I have got here a complete tabulation of the manner in which the Corporation has done things. The Committee in its report (paragraph 25) says:

> "The executive committee of the Corporation did not exercise its mind as to whether the applicant for loan was in a position to raise money in the market."

It further says with regard to the Sodepur Glass Works:

> "One Mr. S. Krishnaswamy, a retired official of the Imperial Bank of India, was suggested to the Company, which expressed its readiness to accept a General Manager....."

He was chucked out because Mr. Trasy, I believe a retired official of the Central Bank of India, was appointed. He was paid Rs. 2,000 per month plus travelling allowance, to prepare a balance-sheet for the Corporation. Suddenly, Mr. Trasy became General Manager of the Sodepur Glass Works, after the Company was taken over by the Corporation.

Now, Sir, the Committee says (paragraph 75):

> "In our opinion, we consider it wrong in principle on the part of Lala Sri Ram to have recommended Mr. Bhagat to Lala Gurcharan Lal, and on the part of Mr. Bhagat to have joined the Managing Agency firm, when only a few months ago he had, on behalf of the Corporation, carried out an examination of the Bhurkunda Glass Factory as an important expert".

And so on the report goes.

I would make one final point here about the Sodepur Glass Works. In paragraph 81 of the Report, the Committee says:

> "On the 28th July 1951, the Managing Director, in conveying to the Company the Corporation's sanction of the second loan, added several new conditions in addition to the above four terms. We have reasons to believe that the Managing Director added these conditions on his own authority, and they were neither placed before the Executive Committee nor the Board of Directors of the Corporation."

> "Some of these terms are, in our opinion, to say the least, harsh, onerous and humiliating to the loanee company."

This is how the administration is carried on. As I have said earlier, the Government replies that they wholeheartedly agree that there is no nepotism and corruption.

I have got a list of names with me. I want my hon. friend, the Minister to answer me. I am asking these in public interest.

How many advance increments has the Managing Director given to the favoured people in the staff of the I.F.C. without the knowledge of the Board?

Will the Minister please let the House know the names of the members of the staff of the I.F.C. who are related to the Managing Director and other Directors?

Has the Managing Director brought Messrs. Pai and Karnik from his old Bank and put Pai down on a salary lower than that he once drew and put Mr. Karnik up on a higher salary?

Who is Mr. Karnik; is he the brother-in-law of the Managing Director's brother, who is now in sole charge of the entire range of cases from the Bombay area?

Is it a fact that in the place of Mr. Trasy, who became overnight the boss of Sodepur Glass Works, one Mr. Joshi was appointed?

Is it a fact that Mr. Joshi was chucked out as incompetent?

Is it a fact that once Mr. Joshi disappeared, suddenly he secured a loan of Rs. 3 lakhs for an under-capitalised firm, the Chairman of which is Mr. Varde, one of the Directors of the I.F.C.?

Further, is it a fact that at least two Directors of the I.F.C., *viz.*, Messrs Roy and Captain, objected to this loan being sanctioned?

Is it also a fact that taking advantage of Mr. Captain's absence at one of the Executive Committee meetings, this loan was finally sanctioned?

May I ask the hon. Minister to answer these questions on the floor of the House to our satisfaction?

Can the Minister deny that when the application of Jay Engineering Works

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was being processed, the Managing Director raised a number of objections on record?

Is it a fact that after the objections were raised, the Executive Committee, under Lala Sri Ram as Chairman, sanctioned the grant of Rs. 20,000 for the purchase of a car for the Managing Director?

Is it a fact that after this transaction was over, the Managing Director has withdrawn his objections and the loan was sanctioned to the Jay Engineering Works?

What is the future of the Sodepur Glass Works?

What was the necessity for the undue haste for the Government to publish a resolution without coming to a conclusion on this important question, which occupies a most important section of the Report of the Sucheta Committee—occupying 40 per cent. of the total space in the Report.

Here I would like to recall my words in the debate of November, 1952. I said, I had no intention of injuring any individual or any Company. I stand by that declaration; But I ask this. Who is Ambegaokar?

I see here on page 120 of the Report (Appendix VII) that Mr. Ambegaokar was described as the Additional Secretary to the Government of India, who issued a memorandum of instructions to the Managing Director of the I. F. C. as to the manner in which that Corporation should conduct itself. That was at the beginning. What happened afterwards? The same Ambegaokar becomes a Director and, if I am not mistaken,—the Chairman of the Committee, my hon. friend Shrimati Sucheta Kripalani is here—the entire range of criticism in the report is levelled against this gentleman —estimable as he is—and what is the result? Suddenly Mr. Ambegaokar becomes the Secretary to the Government of India and signs the Resolution on the 3rd of December, 1953. I ask, is this administration? A party becomes a judge. Sir, you presided over a High Court in this country with such great distinction. I present this to you, Mr. Chairman, and the Members of this hon. House, this particular thing which is unheard of in the annals of public administration either in this country or abroad. I seriously charge Government with nepotism; I charge the Government with sheltering people who ought to have been thrown over. I am not given to making irresponsible statements. There is a close ring of people who are either guilty or who are answerable. Laughter would not help my hon. friend Mr. Krishnamachari. Answer me. (*Interruption.*)

Mr. Chairman: The hon. Member may continue his speech without replying to interruptions.

Dr. Lanka Sundaram: I am suggesting very seriously that there must be a paid Chairman in addition to the Managing Director, and must be a person who has no stake involved, if this Corporation is to progress any further. I give my assurance that I do not know the gentleman and I have no quarrel with him personally. This is the state of affairs of the I.F.C. and the report of the Committee is a strong, unqualified and merciless indictment of the manner in which protection at the highest level is being given to people who ought to have been declared culprits and thrown into oblivion.

Having said this, I would like to add one word. Here are the loan transactions of the Sodepur Glass Company. You will see, Sir, loans of Rs. 2,000, Rs. 3,000, Rs. 6,000, Rs. 5,000, all these in driblets were given. I direct the attention of the hon. Members of this House to page 56 of the Committee's report. This is how institutions have been destroyed. I am most anxious that an amending bill be brought before this hon. House without any further delay, so as to rectify the defects of the Corporation and also to ensure that in future public moneys, moneys

of the tax-payer, would not be frittered away for the personal benefit of individuals, whether they be officials or businessmen.

Mr. Chairman: I would like to remind the House again that only five minutes' time has been fixed for each Member.

Shri N. C. Chatterjee (Hooghly): May I request that ten minutes be allowed to each Member?

Mr. Chairman: I do not know if it will be possible to accommodate all Members.

Shri N. C. Chatterjee: The Industrial Finance Corporation has been the Parliament's head-ache, and I am sorry to say that the only complaint I have against Shrimati Sucheta Kripalani is that the gentle lady has produced a very gentle report gently dealing with the acts of commission and omission of the Industrial Finance Corporation. Really, she ought to have been a little more out-spoken, but I cannot understand the attitude of the Government. Government says that the Committee has not found that the allegation made in Parliament about partiality or nepotism was established and it has generally exonerated the Corporation. But actually, it has not done anything of that kind. Either the gentleman, who is responsible for this Government Resolution has not read the report or he has misread it with a purpose. Now, I shall read to you the finding of the Committee and Dr. Lanka Sundaram did not read this out.

> "In our opinion, this procedure of leaving the entire, discretion to the Managing Director alone naturally leaves scope for the play of personal bias and for the possibility of favouritism. This exposes the Corporation to the charge of favouritism and nepotism."

This is a serious matter, and I am sorry to say that everything has been done by Government to sabotage Parliamentary scrutiny. You will remember that this Committee was appointed on the 31st of December, and it was given a short period. No Parliamentary Committee has functioned with greater speed and devotion, and the entire report was submitted on the 7th May, if I remember aright, but Government sat tight over it till the 23rd December—kindly remember this date; it is the last day of the last Session of the House of the People. They deliberately contrived things in such a way as to keep this back from Parliament's scrutiny. I say that it is not fair and that it is treating Parliament with scant courtesy and they are doing everything to shield this from the public gaze and from discussion by Parliament. The allegation is that the bureaucracy is doing its best in order to make impossible effective Parliamentary control over this kind of finance corporation. Government should have come forward much earlier. Even the report of the Board of Directors was submitted months back, some time in the month of July, and from July onwards up to now there was plenty of time and Government could have easily come up before Parliament and said "This is the explanation we have got to submit." What is the use of this *post mortem* investigation into what has been done or what has not been done? I am seriously suggesting that constructive efforts should be made to implement the recommendations of this Committee. Why has nothing been done in this direction so far? What is the black spot in the working? The real dark spot is the concentration of power in the hands of one man or in the hands of one functionary, and I am endorsing the suggestion made by my hon. friend, Dr. Lanka Sundaram, that the sooner the Managing Director goes, the better for the Corporation and the better for all concerned. The Committee also has pointed that out—that everything has been left to this gentleman, the Managing Director. They are busy people and, naturally, they are interested in some of their concerns. They have left too much in the hands of one man and that has led to this state of unsatisfactory and inefficient administration. The Govern-

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ment says that there is no censure, but I read it as a censure. It may be a mild one, but still it is a censure. The Committee says:

> "We are constrained to state that though the loans from the Corporation were not confined to any particular group of capitalists, there is no denying the fact that a large part of the loan applications was from big businessmen and their associates."

I remind the hon. Minister Mr. Guha that that was exactly his complaint; that complaint has been justified; that complaint was a just and proper complaint; the finding is that that complaint is well-founded. What steps have you taken in order to remove that complaint?

Now, Sir, one very important recommendation made by this Committee is regarding the appointment of a wholetime Chairman. It is good, Sir, that Mr. Sri Ram has resigned.

Dr. Lanka Sundaram: But has his resignation been accepted?

Shri N. C. Chatterjee: I do not know. I hope it has been accepted.

Shri Syamnandan Sahaya (Muzaffarpur Central): Yes, and another Chairman elected.

Shri N. C. Chatterjee: Mr. Sahaya seems to know better than the Minister himself! I am glad to know that another Chairman has been elected! But what I am suggesting is this. Why do you not accept the recommendation of this Committee which said unanimously: have a wholetime Chairman? Have a wholetime Chairman. Sir, that would make impossible devolution of so much authority and power in the hands of one functionary, who thinks he is the boss of the whole show and behaves almost like an autocrat or dictator, who is the dark spot in this Corporation and should be removed.

I know, Sir, the answer will be that it requires an amendment of the Act. They have said that "Government agrees in principle that it would be an advantage to have a wholetime paid Chairman." This will require an amendment of the Act. Why do you not bring forward proposals for amending the Act? The Committee has said that; we all accept that: it can go through.

Shri Algu Rai Shastri (Azamgarh Distt.—East *cum* Ballia Distt.— West): Very small amendment!

Shri N. C. Chatterjee: Even Mr. Algu Rai Shastri would not oppose it! Therefore it can be easily done.

But what is more important is this. The Committee says:

> "The responsibility for valuation of assets, deciding the margin to be required, the form of deeds to be executed etc., is left to the discretion of the Executive Committee of the Board, which very often in actual practice has meant the unfettered discretion of the Managing Director."

This unfettered discretion should go and the sooner it goes the better. And I am imploring in all fairness this cardinal principle of justice—that is the cardinal principle regulating any administrative tribunal—that a man should not be placed in a position where his duty and his interests are in conflict. Therefore, the Committee says: do not allow any director to function who is himself director of a company that is an applicant for a loan. He should not be allowed to be there. I think, Sir, that that can be managed. I do not think that is an absurd suggestion. Government says that that is not a practical suggestion. I do not know, Sir, whether India is so deficient in public spirited businessmen that you cannot get half a dozen of them who would not come forward to act as Directors of this Corporation, or function on the Board, who will be above suspicion. Do not allow people to be placed in this delicate position, where their interests will be pulling one way and their duty will be pulling the other way. I hope that would be feasible and that would be accepted.

The longer you stick to this attitude: "no, we will not accept the suggestion", the more you will lay yourself open to suspicion; and therefore, however efficient, however well-meaning your personnel may be they will be always attacked and they will be under a cloud of suspicion.

I hope Government will accept the constructive suggestions put forward by the Committee and Government will take early practical steps to amend the Act, and Parliament will with alacrity accept the implementation of the constructive recommendations.

Shri V. B. Gandhi (Bombay City—North): I must first blame this Government for giving this occasion to Dr. Lanka Sundaram to bring about this debate in the fashion that it has come before us today.

Shri T. K. Chaudhuri (Berhampore): On a point of order, Sir.....

Mr. Chairman: Let us listen; there is no point of order.

Shri V. B. Gandhi: You will remember last year this House debated an amending Bill for several days. It was out of the several charges made during the course of that debate that an Enquiry Committee was appointed. The Enquiry Committee took five long months to submit its report and Government has done nothing about it and here we are called, all of us, to speak for five minutes. I think it is very unfair to this House.

Several Hon. Members: Hear, hear.

Shri V. B. Gandhi: Government owes it to this House to have given us an opportunity for a full scale debate for several days on the subject. I will now come to the point. (*Interruptions*).

Mr. Chairman: Let us hear the hon. Member.

Shri V. B. Gandhi: It is not of course possible to deal with all of the points and insinuations,—because most of them were insinuations rather than any points—made by the two speakers who have preceded me. Dr. Lankasundaram's tactics this time, rather unusual with him, were to raise a smokescreen; all the time he did not very much make a direct attack. The only point he made which attempts a direct hit was about loans to Directors. More about that a little later. In the first place, this House in 1948 passed an Act called the Industrial Finance Corporation Act and accepted a certain policy; again in 1952, that Act was amended in certain respects in order that it should be made more efficient for the purposes for which it was intended. Under either the original Act or the amended Act, there is nothing that should prevent this Corporation from advancing loans to Concerns in which the Directors of the Corporation are interested. I won't go into the right or wrong of the thing. The Committee has made a number of suggestions on this point. Particularly, the Committee always kept in mind the need that in our country, and with the type of attitude we sometimes have towards such new organisations, it was necessary to keep in mind the old saying that Caesar's wife should be above suspicion. So in this respect that is, in respect of loans to companies in which the Directors of the Corporation were interested, the Committee has made a number of suggestions. The general view, or the general opinion to which, after a prolonged investigation into the facts of the situation, the Enquiry Committee came to, is given on page 12 of the Enquiry Committee's Report and I shall just read the relevant portion. It says:

> "It would be difficult to put any blame on the Corporation for having granted loans to concerns in which the Chairman and the other Directors of the Corporation were interested either directly or indirectly, unless it could be established that grant of these loans was influenced in any way because of the interests of the Chairman or the Directors of the Corporation or that the Corporation relaxed the rules and terms and conditions in favour of the concerns and that these were not credit-worthy."

[Shri V. B. Gandhi.]

These are all the considerations and in the light of these considerations the Committee's view is that it would be difficult to put any blame on the Corporation for having granted these loans.

Not all the suggestions made by the Enquiry Committee have been accepted by the Government. It is open to any one of us in this House to express an opinion whether Government has done right in not accepting all those suggestions. But Government have accepted some of them, and here are the suggestions which the Government have accepted. For instance, Government have agreed to the suggestion that any director who is interested in a concern for which a loan is being discussed should not be present in the meeting and that he should withdraw. That suggestion has been accepted.

Then, Government have also accepted another suggestion, and I shall read the actual wording from the Government's resolution:

> "Government have further decided to direct the Corporation to report to Government all cases of the grant of loans in which a director of the Corporation is a managing director, director, partner or shareholder in the managing concern of the applicant undertaking."

Then further: Government have also agreed that when the membership of the Board of the Corporation present at the time of considering a loan in which a director is interested is less than half, all such loan transactions passed at that meeting should be reported to the Government.

Finally, Sir, I will say that this House has to adopt a very responsible attitude towards this whole question of the Industrial Finance Corporation and its future. I think we should realise that this Industrial Finance Corporation is something that is needed in the context of our country's economy (*Dr. Lanka Sundaram*: Who denied it?) and therefore this kind of a light-hearted five minute debate, I am afraid, is very unjust to the importance of the subject.

Shri T. N. Singh (Banaras Distt.—East): Sir, I rise to participate in this discussion with a full sense of responsibility and fully realising that it is a credit corporation on which criticisms should not be lightly made. Yet I think this Parliament, as the custodian of our national finances, will be failing in its duty if it did not approach at times such problems even in a critical spirit, because that is our duty. It does not mean that the criticisms should be irresponsible. (*Shri Syamnandan Sahaya*: Quite right. That is the main thing). Therefore, after carefully considering and giving full thought to the whole question I feel that the report is quite balanced and proper and appropriate. I wish that the Government Resolution had also considered the report in that very light and not taken advantage of it. I think at least the first part of the resolution, paragraph 3, is unfair to the Committee. The Committee has referred to certain cases which were irregular and into which they did not go, advisedly I think, in greater detail. They were perfectly right. It is also not my duty; neither do I think it is advisable that we should go into those details. Yet, with all that is there, I think the Government resolution is unfair to the Committee, of which Shrimati Sucheta Kripalani was the Chairman. I think Government should have taken a more realistic view. I suggest that Government should take serious note of some of the irregularities pointed out, and not merely brush them aside thinking that because they have not quoted more details, they need not be considered. It is not proper. For that reason, it was obviously the duty of Government to abide by the impressions that the Committee formed. After all, when you appoint a committee, they will be guided by their impressions of witness's evidence. They need not quote every chapter

and verse. You trust them and when they have come to certain conclusions, abide by them and take decisions accordingly. That is very important.

I am also much surprised to find that the Chairman of the Board of the Industrial Finance Corporation agreed to serve in the executive committee of the Board as a mere member. That is something unusual. What explanation is there for this? I am sure the Finance Minister will never agree to serve on a committee of which his Secretary is the chairman. That is not done. What induced the Chairman of this Board to work as a mere member of a subordinate committee? I want to be enlightened on that point. I also want to say that these are wrong things and should not be allowed.

Pandit Thakur Das Bhargava (Gurgaon): This is given in the Act. In Section 16 of the Act, the composition of the committee is given. I do not know how far my friend is right in dealing with this question. There is no question of the chairman accepting a lower post. The Act provides that the Managing Director shall be the chairman of the executive committee and other members will be elected.

Shri T. N. Singh: Yes, yes. The Managing Director shall be the chairman of the committee, but the Act does not say that the chairman shall be a member of the committee. I do not want unnecessary heat or criticism to be raised about it. I want to appeal to the Government that these things should be given due weight.

At the same time this is a credit organisation. I fully realise my responsibility when I am making all these criticisms. When a credit organisation has to be built up, it will commit mistakes. Any organisation is liable to commit mistakes. I am not very much worried about that. All I want is that the members must be above suspicion and managing directors of concerns which get loans should not be associated with the organisation. I would urge the Government to insist on that. I am concerned in the observance of this principle because its non-observance will be unfair to the institution. The directors of concerns who are connected with the organisation may naturally take advantage of their position. That is bad. Therefore, I would very strongly request the Finance Minister to take this point in view and there should be no delay about its implementation. For whatever has happened, I regret very much. But let us not indulge in unnecessary heated criticism about it.

An Hon. Member: How will you stop it?

Shri T. N. Singh: In the five minutes that I have at my disposal I think, I cannot go into details. I have placed before the Government my view point. I hope I am reasonable and what I am saying is correct.

Shri Tulsidas (Mehsana West): I have been listening to the debate with great interest and I have been trying to understand the point of view of the different hon. Members with regard to the working of the Industrial Finance Corporation. Knowing as I do, and having a little amount of experience as the chairman of a Bank, I would like to say—I know my friends sitting on this side of the House would not like it—that if we want to go ahead with the industrialisation of this country and if we want to give help to the industries with regard to capital formation, or making capital available to them, then it is no use our going in the way as we are criticising this report, or as the hon. Members here try to do.

I would like first of all to draw the attention of the hon. Members to the constitution and purposes for which this body has been created.

An Hon. Member: Which body?

Shri Tulsidas: The Industrial Finance Corporation.

[Shri Tulsidas]

On page 7, it is stated here:

"The capital requirement of an industry consists of (a) the initial capital for acquiring fixed assets, (b) the working capital and (c) the capital required for replacement, rationalisation, modernisation and expansion. Generally, the initial capital is found through the medium of share, capital while further requirements for block capital are financed either by ploughing back the undistributed profits or by raising fresh capital through shares, debentures or bonds."

The experience of this country, even in the private sector when Industrial Banks were floated a long time back in 1906, which has also been quoted in this report, has been very sad. The banks which transacted this type of business have fared very badly. The Government felt that the industrial development in this country cannot be rapid and the need for such an organisation was so great to fill what is referred to in this report and what is commonly called the 'Macmillan Gap'. This is where this organisation has come in.

Two or three important issues have been raised by Dr. Lanka Sundaram. First, with regard to the loans to parties who are interested. I would like first of all to ask him whether the propriety of interest has been examined or not. When he says that large sums of money have been given as loans to these concerns, in which the Directors were interested, he forgot to mention to what extent these Directors were interested. In the Appendix the amount of share-holding has been mentioned. I would like to start with Professor Gadgil. It is stated that the amount of loan given to the concern in which Prof. Gadgil is interested is Rs. 13,75,000. His interest is Rs. 4,500 worth of shares.

Shri A. C. Guha: I think that is also a co-operative company.

Shri Tulsidas: Yes; in any case, a public limited company. What I am trying to say is this. Any one even in this House may be holding shares in a particular company. Does it debar him from becoming a member of a committee where large amounts of loans are given to that particular company? I do not see any justification to take that view. What is the interest? After all, if a Director is interested in such a manner as to have a controlling interest, I can understand. Here the proprietary interest is so small that there is practically nothing to debar them from being Directors. They are there as Directors because of their particular status in society. They would be called to advise the company in the day to day affairs. If a particular Director holds a small number of shares, without which he cannot become a Director, do you mean to say that he is a Director of a particular company, and he cannot be a Director of the Industrial Finance Corporation? I cannot understand the equity of this. We will not be able to find even one, in that respect, to be on this Board and help the people. You want responsible people to serve on this Board. If you want responsible people to serve on this Board, they must be at least persons who know something about business and industries.

Shri S. S. More (Sholapur): Responsibility goes with shares.

Shri Tulsidas: If you want credit institutions to advance large amounts of loans and if these credit institutions are headed or advised by people who do not understand industry, I am sorry, the state of affairs would be very bad, and we may not be able to realise anything. What is the position of this Corporation? Out of 103 concerns to which they advanced loans, there is only one concern in the case of which there is a possibility of a bad debt. As a banker I think it is a very good risk, that it is a very good way that business has been conducted. As a banker I can tell you it is not possible to advance and not to

incur bad debts. Dr. Lanka Sundaram knows very well how bad debts come in.

Dr. Lanka Sundaram: They do. They accumulate.

Shri Tulsidas: Therefore I think we should congratulate the Industrial Finance Corporation for conducting their business in such a nice manner.

I am not suggesting that there need not be certain changes which may be necessary. After all, it is a public corporation. Parliament has got the right to criticise it. But I make a distinction between a public enterprise and a corporation of this nature. A corporation of this nature is a credit institution and it must function in a manner not to harm others. Otherwise, you will drive away others from coming to the Corporation, and the purpose for which it is established will not be served.

Another point was made with regard to a paid chairman. One hundred times more money is distributed by different banks and there is not a paid chairman, not only in this country but in other countries also. A chairman must be one who knows and understands the market, who knows the people round about, who can get information. Only such a person is qualified to be the chairman. Then, what happens if you have a paid chairman? It will become so rigid that it will not be possible for persons to get loans from this institution. In countries like England you have got a paid Chairman, but he is not a whole-time worker. He is only given a remuneration for the year. He comes for one hour a day and advises the board. Therefore, in an institution like this, we should not think of having a paid chairman.

I am sure whatever suggestions are made would certainly be considered by the Government. We are now on the threshold of creating two other corporations. If we are going to do business in this manner, I am afraid the purpose for which they are to be established will not be served. Rather they will do more harm than good.

Shri K. K. Basu (Diamond Harbour): I do not think that in the short time available, many points can be covered.

As Mr. Chatterjee said, the report of the Enquiry Committee is rather mild and gentle, and even the Government have accepted most of these.

Regarding the grant of loans by this institution, Mr. Tulsidas Kilachand just now said, as a banker, that they have done well since only one case out of 103 cases is possibly a bad debt. I do not want to go into these details.

Government have taken nearly nine to ten months to decide what their attitude should be in regard to this report.

6 P.M.

We must differentiate between the role of the Industrial Finance Corporation which is practically financed by the nation's money and that of other private institutions. There is a complete qualitative difference. This should be kept in mind. We shall find that there has been a bias on the part of the Corporation, if we analyse Chapter VII of the Report, dealing with the rejected applications for loans. As the time is short, I would like to quote only two paragraphs from page 34 of the Report, which reads as follows:

> "It would appear from examination of some of the rejected applications that the grounds for rejection stated above were not uniformly applied to all the cases, or in other words, in some of the cases, loans had been granted through the applicants suffered at the time of taking loans from some of the disabilities enunciated above.
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> It is also true that reasons for rejecting applications as given were not final as it would appear that some of these very rejected

[Shri K. K Basu]

applications were accepted on reconsideration by adjustment of the offending grounds. It may well be asked why such an attitude was not taken in regard to other applications. Had this been done, some of the applicants might have qualified for loans."

I do not know the incident referred to by Dr. Lanka Sundaram, where he said that a sum of Rs. 20 lakhs had been advanced to a particular concern, out of which Rs. 16 lakhs was utilised towards meeting some loans.

Let us now see how the Corporation has been giving loans. Out of a loan of Rs. 8 crores and odd, nearly Rs. 6 crores have gone to one particular set of industrialists. Do you mean to say that the other set of industrialists or the other types of industrial houses in the country do not need any financial accommodation? This clearly shows that this Corporation has worked in a manner which is not in the general interests of the nation, but in the interests of a particular group, which might indirectly and to a very small extent only, help the growth of industrialisation in the country.

Another point that has been very ably dealt with relates to the powers and functions of the Managing Directors with regard to the granting of loans. The Government Resolution practically whitewashes the recommendation of the Commitee, and says that Government are considering the possibility of having a paid Chairman for the Corporation. Once there is a paid Managing Director,—if I might use such an expression—he begins to feel that he is all powerful as a Moghul emperor, and we do not know what other indirect pressures will be brought to bear upon him by the Ministry.

Another very important part of the Committee's recommendation relates to the grant of loans to concerns with whose managing agency firms, the Directors of the Corporation were concerned. This is a very important point that needs our consideration. My hon. friend Shri Kilachand said that in this business world sometimes it might happen that a Director of a particular concern may have very small interests in other concerns also, as in the case of a joint family, and his proprietary interest may be to the tune of two annas in a rupee or so in the managing agency firms, but if one particular individual holds a block of some 2,000 shares, obviously, he will have a great control over that concern, and the whole situation changes. If we analyse the loans granted, we find that a major portion has gone to one particular set of industrialists only and not to the others. You will remember that when the amending Bill was being discussed last time in this House, allegations were made that applications for loans from persons who had much less capacity and much less pull with the organisation or the authorities that sanction the loan, were rejected.

Therefore, Sir, these things should be taken into consideration. The most unfortunate part of it is that seven months after the Committee has submitted its report, our Government in a resolution practically says that there is nothing that has been said on which the Government should take action. I do not understand this. This Committee sat in judgment on the working of the Board of Directors of the Corporation, then the Secretary, I find, sits in judgment on behalf of Government on the report of this Inquiry Committee and says that nothing has been said on which it is absolutely imperative that improvement should be made. They say it is not necessary because they have facts which do not warrant the recommendations made by the Committee. I do not know why they do it. The Board of Directors must have appeared before this Committee when they sat in judgment; I do not know, Sir, because the evidence is not placed before us. But I feel the Government is deliberately developing a certain attitude. I remember when the amend-

ing Bill was brought forward, under pressure of our demand at the last moment they agreed to the appointment of a Committee of Inquiry. Then the work was rushed through in five months and then Government took nearly seven months to give its verdict. Even today, I do not know whether the Finance Minister himself or the Deputy Ministers have sat in judgment on this and applied their own independent mind or have only signed what the Secretary recommended. It is absolutely imperative if the nation's money is to be usefully spent that Parliament must have full control over this particular institution and other two such institutions, which I understand, are going to be started in future.

The Minister of Finance (Shri C. D. Deshmukh): On a point of order. Is it right for an hon. Member to say in respect of anything signed by the Secretary that Ministers have not applied their minds to whatever is stated there?

Shri K. K. Basu: I said: 'I do not know'

Shri C. D. Deshmukh: I say even such a question is improper. All Government orders are authenticated by the Secretaries. But all the business of Government is carried on by the Ministers, that is to say, even if there is credit or blame, it is the Ministers who share it. It is not the Secretary. The Secretary only authenticates orders.

Mr. Chairman: The hon. Member will take care to avoid that statement.

Shri N. C. Chatterjee: If a presumption is made, it is rebuttable.

Mr. Chairman: Here we are not to make that presumption and then so on just to rebut it. We shall have to take it for granted that the Ministers share that responsibility and the procedure goes on as prescribed.

Shri A. C. Guha: It is not a question of sharing responsibility. The entire responsibility for this resolution is on the Ministers.

Mr. Chairman: That is all right. The hon. Member will try to avoid that.

Shri K. K. Basu: I did not mean anything.

Mr. Chairman: It is better that we avoid it.

Shri C. D. Deshmukh: If I may explain, my point is this. There is no way open to a Minister to show that he has applied his mind to a thing. All orders and all communications must, under the rules of business, issue under the signature of the Secretary. That is by way of authentication. But all responsibility must necessarily belong to the Ministers. That is the point I wished to make.

Shri S. S. More: That is only a matter of procedure.

Mr. Chairman: But that is a fact also. That is how things move on. The Secretary has to authenticate or sign that order. It is not the Minister who would sign. The Minister certainly would share the responsibility. He would take that decision. But the issue of orders must be done by the Secretary.

Shri K. K. Basu: I did not say that the Ministers do not take responsibility. The Government resolution on the report ...

Mr. Chairman: Instead of entering into a discussion, the hon. Member should conclude now.

Shri K. K. Basu: I am concluding, Sir.

Therefore, I feel that when serious allegations are made on all sides of the House irrespective of party affiliations, in this matter involving the nation's money invested in the Corporation, when allegations are made on the way it has worked and those allegations are repeated—when repeated charges are made—Govern-

[Shri K. K. Basu]

ment should take these into consideration. There should be devised some machinery that would have a much greater check by our Parliament over the working of the Corporation.

About the Secretary, I do not know how he is interested, because he is also there to advise on behalf of the Government. I do not know whether he will apply his mind properly to the working of this body. About the Chairman, I do not know why an industrialist should be chosen. At least for the sake of avoiding public criticism, that should not be done. It is true that there may be industrialists. They may come in the Board to advise when loans have to be granted and valuation has to be made. They may be there just as we take an economist or a chartered accountant. The industrialist should be there in that position to advise Government on how investment should be made and so on. Therefore, I feel that the Chairman should be a person who should not be connected with any big business. There may be persons connected with big business as directors but the Chairman should be above all these things and he must be a person imbued with public spirit.

पंडित ठाकर दास भार्गव : जनाब चेयरमैन साहब, आज जब मैं अपने चारों तरफ़ नज़र दौड़ाता हूं तो मुझे मिस्टर गुहा पर बहुत रहम आता है। मिस्टर गुहा उन अशख़ास में से हैं जो इस कमेटी के अप्वाइटमेंट के और इस सारे ड्रामा के हीरो हैं। लेकिन आज जब मैं यह पाता हूं कि दरअसल उन्होंने जिस तरह से अपनी रेसपांसिबिलिटी को निभाया है, और गवर्नमेंट का जो काम्युनिके निकला है और सारी रिपोर्ट पर जो कुछ लिखा है उस को जब मैं पढ़ता हूं तो मुझे यह तसल्ली होती है कि इन्होंने अपना काम निहायत ईमानदारी के साथ और बग़ैर डर के किया है। अगर उन की जगह कोई मुझ जैसा छोटा आदमी होता तो वह कह देता कि मैं ने ही तो सारा झगड़ा किया, मैं ने इन को बेईमान कहा और इन पर सारे इल्ज़ाम लगाये, और अब इन को कैसे उस से बरी कर सकता हूं। लेकिन मैं इन को मबारकबाद देता हूं कि इन्होंने निहायत ईमानदारी से काम किया है और अपनी जिम्मेदारी को निभाया है।

जनाब वाला, जैसे मैं इस तरह इन के ऊपर रहम करता हूं, वैसे ही जब मैं अपनी दूसरी तरफ़ देखता हूं तो इन पर भी रहम करना पड़ता है। अभी जैसे श्री तुलसीदास साहब ने फ़रमाया, यह कारपोरेशन का काम बड़ी मुश्किल चीज़ है, इस के लिये हमें इस के सारे आइडिया के पीछे जाना पड़ेगा कि यह कैसे काम करता है और कैसे हम इस को क्रिटिसाइज़ करें। जितने अशख़ास ने क्रिटिसाइज़ किया है, मैं यह नहीं कहना चाहता कि उनक क्रिटिसिज्म में ईमानदारी नहीं है, लेकिन मुझे यह कहने में ज़रा भी ताम्मुल नहीं है कि वह भी अगर मिस्टर गुहा की तरह इस को ग़ौर से देखते तो वह ज़रूर यह महसूस करते कि उन का क्रिटिसिज्म जायज़ नहीं था।

आचार्य कृपालानी (भागलपुर व पूर्निया): अगर वह भी मिनिस्टर हो जायें ?

पंडित ठाकर दास भार्गव : हमारे बुजुर्ग साहब फ़रमाते हैं कि वह भी मिनिस्टर हो जायं। लेकिन इस के अन्दर यह चीज़ ग़ौर करने की है कि क्या ईमानदारी इधर बैठ कर ही रह सकती है और उधर बैठ कर क्या नज़रिया तबदील हो जाता है और ईमानदारी में फ़र्क आ जाता है ? मैं इस को नहीं मानता। मैं समझता हूं कि श्री कृपालानी साहब जैसे यहां बैठे हैं वैसे ही अगर उधर बैठेंगे तो भी उन की ईमानदारी में फ़र्क नहीं आयगा, उन के नज़रिये में कोई तबदीली नहीं होगी।

और आज मैं अपनी बहन को मुबारकबाद देता हूं कि उन्हों ने इस काम को किस खूबी के साथ किया है, किस तरह उन्होंने इस के अन्दर जा कर कमेटी की रिपोर्ट लिखी। उन्होंने यह रिपोर्ट इतने माडरेशन से और रैस्ट्रेंट के साथ लिखी कि शायद इस को दूसरा कोई नहीं लिख सकता था।

आचार्य कृपालानी : गवर्नमेंट ने समझा ही नहीं।

पंडित ठाकुर दास भार्गव : गवर्नमेंट ने समझा या नहीं, इस पर मैं अभी बाद में आता हूं। मैं दुनिया के एक तजुर्बेकार आदमी की हैसियत से कहता हूं। मैं ने अपनी सारी उम्र फौजदारी का काम किया है और उस क्रिमिनल ला के काम की बिना पर मैं कहता हूं। आप बहुत खश हैं, मेरे दोस्त हंसते हैं। खूब हंसिये। जिन्होंने क्रिमिनल ला का काम ही नहीं किया वह जान ही नहीं सकते कि क्रिमिनल क़ानून के एडमिनिस्ट्रेशन का असूल क्या है। मिस्टर चटर्जी साहब फ़रमाते हैं कि केनन आफ़ जस्टिस से इस रिपोर्ट को देखें। मैं इसी बेसिस पर इस रिपोर्ट को देखना चाहता हूं। मैं अदब से अर्ज करना चाहता हूं कि कमेटी एक ओर तो यह कहती है कि इस में कोई बेईमानी का या नेपोटिज्म का केस साबित नहीं है। उस चैप्टर में जहां स्पेसिफिक इंस्टेंसेज का सवाल आता है वहां एग्जोनरेट कर दिया लेकिन दूसरी तरफ़ दूसरे चैप्टर में आहिस्ता से यह भी लिख दिया कि हम को मालूम ऐसा होता है कि सिवाय बिग बिज़िनेस के किसी और को रुपया दिया ही नहीं गया है। जनाब वाला, यह तरीक़ा बिल्कुल मनासिब नहीं है। अगर कोई शख्स क्रिमिनल लायर होता या जस्ट आदमी होता तो इस तरह की रिपोर्ट पेश नहीं करता। यह एक निहायत नामुनासिब बात है कि एक तरफ़ तो आप किसी के खिलाफ़ इल्ज़ाम लगायें और उस को, जिस पर हमला किया गया हो, मौक़ा नहीं दें कि वह अपना जवाब दे। मैं मिस्टर चटर्जी साहब से पूछता हूं कि जिस किसी के बरखिलाफ़ आप कोई नतीजा निकालें, उस को आप अपनी सफाई पेश करने का मौक़ा न दें, यह किस क़ानून के मातहत मुनासिब है? जनाब वाला, इन लोगों की यह शिकायत है कि हमारे बरखिलाफ़ नतीजा निकाला या और हम को मौक़ा नहीं दिया गया। आप को मौक़ा देना चाहिये था कि हम यह नतीजा तुम्हारे बरखिलाफ़ निकालते हैं, तुम को क्या कहना है?

श्री भागवत झा आज़ाद (पूर्निया व संथाल परगना) : नतीजा निकला हुआ है कि सिर्फ़ खास इंडस्ट्रीज़ को दिया गया।

Mr. Chairman: Let there be interruptions.

पंडित ठाकुर दास भार्गव : मैं इस का जवाब अभी देता हूं। मैं अभी यह कह रहा हूं कि उन की यह शिकायत बिल्कुल जायज़ है कि जिन लोगों के बरखिलाफ़ आप ने लिखा उन को मौक़ा नहीं दिया कि उन के खिलाफ़ यह ऐलीगेशन्स थे। आप को उन को मौक़ा देना चाहिये था कि वह जवाब दें। वह टीक जवाब नहीं देते तो आप इस से भी सख्त रिपोर्ट लिखते।

अब जनाबवाला इस पर मुलाहज़ा फ़रमायें कि इन के खिलाफ़ शिकायत है क्या? मेरे चन्द दोस्त कहते हैं कि चन्द इंडस्ट्रीज़ को रुपया दिया गया। कमेटी की रिपोर्ट कहती है कि जितना इन के पास रुपया था वह सारा का सारा एग्ज़ास्ट नहीं हुआ, वह और ज्यादा दे सकते थे। कहा जाता है कि छोटी इंडस्ट्रीज़ को नहीं दिया गया। मैं पूछना चाहता हूं कि छोटी इंडस्ट्रीज़ को दरख्वास्त देने से किसने रोका था। अगर इस रिपोर्ट में यह लिखा होता कि इन के पास रुपया नहीं था तो मैं समझता कि बड़ी इंडस्ट्रीज़

[पंडित ठाकुर दास भार्गव]

को ही दे दिया गया और छोटी इंडस्ट्रीज के लिये नहीं रखा गया, गो इस सिलसिले में मैं यह अर्ज करना चाहता हूं कि जब वह बिल हमारे सामने आया तो श्री षणमख चेट्टी ने यह कहा था कि हम अभी यह नहीं बतला सकते कि कैसे सरकमस्टांसेज हों। जब यह ऐक्ट पास हुआ तो इस वक्त बतलाया गया था कि ज्यादातर यह बिग बिजिनेस के लिये है। अब जो स्टेट कारपोरेशन्स बने हैं उन में छोटी इंडस्ट्रीज के लिये जगह है। बड़ी इंडस्ट्रीज को उस वक्त मदद करनी थी, बैंक उन को रुपया नहीं दे सकते। कमेटी ने भी इस की ताईद की है कि सिर्फ बि बिजिनेस को भी रुपया नहीं दिया गया। लेकिन जब छोटे कामों के लिये कोई दरख्वास्त नहीं है तो हम किस मूंह से कह सकते हैं और शिकायत कर सकते हैं कि बिग बिजनैस के अलावा किसी और को रुपया नहीं दिया गया। यह बिल्कुल बेबुनियाद शिकायत है और बजा नहीं है। अगर हम वाक़आत को देखें तो कोई एक भी दरख्वास्त नहीं है जिस को इस बिना पर नामंजूर कर दिया गया हो कि हमारे पास रुपया नहीं है।

अब इस रिपोर्ट में इस बात की शिकायत की गयी है कि इंजीनियरिंग वर्क्स में बंगाल पोटरीज ने बोनस शेयर जारी कर दिया। खुद हाउस वाकिफ़ है कि बोनस शेयर को जो जारी किया जाता है तो सरकार की इजाजत से जारी किया जाता है। जब कि सारा डिविडेंड हो जाता है तो वह फ़िटर न हो जाय इस के लिये बोनस जारी करते हैं, जिस के माने यह हैं कि वह सारा का सारा रुपया कम्पनी ने रख लिया और वह उस का कैपिटल हो गया। दूसरी शिकायत यह है कि तीन लाख ८७ हजार रुपया लोन में से किस को दिया गया। मैं ने उन का जवाब पढ़ा है। जिस वक्त लोन दिया गया उस वक्त उन को बतलाया गया कि हम यह रुपया वापस देंगे और यह रुपया लोन में से नहीं दिया गया। यह सब क्वश्चन आफ फैक्ट है जिन के बारे में कमेटी ने ग़लतियां की हैं और जिस की वजह से सारे का सारा नतीजा ग़लत हो गया है। गवर्नमेंट ने बहादुरी से काम लिया और इस टैम्पटेशन को रिजिस्ट किया कि उन का कनडमनेशन कर दें। गवर्नमेंट ने बिल्कुल ठीक किया कि उन फैक्ट्स को फिर देखा। तीन लाख ८७ हजार रुपये पर जो कटाक्ष किया गया है वह बिल्कुल ग़लत है।

एक कम्पनी के बारे में यह कहा गया कि पहले कर्ज का दस लाख रुपया बीस लाख वाले दूसरे कर्ज में से दे दिया। मैं अर्ज करूंगा कि यह इस तरह जो बातें कही गयी हैं वह फैक्ट्स पर मबनी नहीं हैं। जो दूसरी कम्पनी को पाटरीज की कम्पनी पर शिकायत है तो जनाब वाला, जो शिकायत है उस का, मलाहजा फ़रमायें और उन्हों ने जो जवाब दिया उस को देखें तो पता लगेगा कि शिकायतें बिल्कुल बेबुनियाद हैं और फैक्ट्स के बेसिस पर वह ग़लत हैं। अगर वह फैक्ट्स पर ग़लत नहीं होतीं तो मैं शिकायत को दुरुस्त समझता। लेकिन जिस तरह से फैक्ट्स हैं उन के मताबिक मैं उन शिकायतों को दुरुस्त नहीं समझता। अगर यह बात होती कि जो मैनेजिंग डाइरैक्टर था वह किसी खास इंडस्ट्री में इंटरैस्टैड था और दस में से एक दो को लोन दिया गया और बाक़ी को नहीं दिया तो कोई बात शिकायत की होती, लेकिन फैक्ट्स ऐसे नहीं हैं। इसी तरह अगर यह होता कि दरख्वास्तें आते ही मजूर हो गयीं, महीने दो महीने की जगह लोन दस दिन में ही दे दिया गया तो दूसरी बात होगी। गो, अगर ऐसा होता तो मैं मबारकबाद देता कि उन्हों ने इतनी जल्दी जहां जरूरत हुई वहां काम किया और

रुपया दे दिया। लेकिन फैक्ट्स इस तरह की शिकायतों के बिल्कुल बरअक्स हैं।

जनाब वाला, मैं निहायत अदब से अर्ज करूंगा कि इन पांचों में से एक भी शिकायत ठीक नहीं है। इन पांचों चीजों के बारे में मैं ने सब बातों को गौर से पढ़ा है और मैं अर्ज करना चाहता हूं कि एक भी मसला ऐसा नहीं है कि जिस के लिये यह कहा जा सके कि इस कारपोरेशन ने किसी की रियायत की हो या बिग बिजिनेस की रियायत की हो।

आचार्य कृपालानी : चेयरमैन ने क्यों रजाइन किया ?

पंडित ठाकुर दास भार्गव : गरीबनिवाज, चेयरमैन का रिजाइन करना ठीक था, अगर आप वहां पर होते और पार्लियामेंट में इस तरह मड फेंका जाता तो हर शख्स जिस को अपनी इज्जत का ख्याल होता यही करता।

पंडित के० सी० शर्मा (जिला मेरठ दक्षिण) : यहां हाउस में तो कोई मड होता ही नहीं, कीचड़ फेंकने का जो फिर आप ने यह तसव्वुर किया वह गलत तसव्वुर फरमाया।

Mr. Chairman: Let there be no interruptions. The hon. Member may proceed with his speech.

पंडित ठाकुर दास भार्गव : जनाबवाला, मेरे दोस्त जिन्हों ने अभी मड के बारे में इटरप्शन किया उन को अभी अंग्रेजी और पढ़नी पड़ेगी। जब वह मिट्टी के मड से हीं सने हों तो वह फिजिकल मड को ही जान सकते हैं, दूसरे मड को व क्या जानें, जिनका ताल्लुक इन्सानी आत्म-सम्मान से है।

अब, जनाब वाला, मैं निहायत अदब से यह पूछना चाहता हूं इस हाउस से कि कोआपरेटिव सोसाइटियां किस बेसिस पर बनाई जाती हैं। कोआपरेटिव सोसाइटी में लोग रुपया दे कर उन्हीं आदमियों को करें देते हैं कि नहीं जो कि कोआपरेटिव सोसाइटी के मैम्बर होते हैं। यह रुपया किस तरह से आया ? यह रुपया सिर्फ सरकार का रुपया नहीं है। इस में बहुत सारा रुपया दूसरों का है, इस में जो रुपया लगा है, कारपोरेशन में यह शिड्यूल्ड बैंकों का है। इस में रुपया इंश्योरेंस कम्पनियों का है। इस में ऐसे लोगों का रुपया है जो कि आम तौर पर लोगों को कर्जा देते हैं। इस रुपये के वास्ते अगर यह कह दिया जाय कि फलां को दिया जाय, फलां को न दिया जाय, तो इस का फायदा आधा ही रह जायगा। यह इसी तरह की बात हुई कि जिन के लिये यह कारपोरेशन बना हो उन्हीं को महरूम कर दिया जाय कि उनको रुपया न मिले। यह सब चीजें ऐसी हैं जिन को देख सकते हैं। मैं नहीं जानता कि जिस तरह की यह कारपोरेशन है। उसके अन्दर आप यह रूल कर दें कि वह लोग रुपया न ले सकें जो इसके कोई डाइरेक्टर हों। यह चीज जो बतलाई जाती है कि एक आदमी के जिस के इस कारपोरेशन में दस शेयर्स हैं उसको रुपया न दिया जाय, इस में कोई अक्ल की बात नहीं। हम ने, जनाबवाला, ऐक्ट बनाते वक्त उस में यह शर्त नहीं रखी कि ऐसे किसी आदमी को रुपया नहीं दिया जायगा जो डाइरेक्टर से कनेक्टेड हो और जो इस का डाइरेक्टर बने, हम ने इसमें ऐसा तो नहीं लिखा और यह जो एक्ट बनाया गया वह काफी बहस और सोचविचार के बाद बनाया गया, इसलिये आज सिर्फ बहस के खातिर इस चीज को छेड़ बहस लाकर और उसके ऊपर केसिल बिल्ड करना मुनासिब नहीं है। मैं समझता हूं कि इस तरह की तरमीम ऐक्ट के अन्दर नहीं होनी चाहिये। मैं अदब से अर्ज करना चाहता हूं कि यह लोन कमेटी जो इस ऐक्ट के अन्दर हमने बनायी थी उसके कांस्टीट्यूशन में हम ने रखा था कि जो मैनेजिंग डाइरेक्टर हो वह

[पंडित ठाकुर दास भार्गव]

प्रेसीडेंट होगा और दो डाइरेक्टर एक सेट से इलेक्ट किये जायेंगे और दो डाइरेक्टर दूसरे सेट से इलेक्ट किये जायेंगे। मैं पूछना चाहता हूं कि अगर किसी आदमी पर भरोसा कर के उसको डाइरेक्टर बनाते हैं, तो इसमें क्या हुआ कि एक आदमी मातहत हुआ और दूसरा ऊंचा हुआ, इस में मातहती या ऊंचेपन की बात नहीं है, दोनों बराबर के डाइरेक्टर हैं, उनके अन्दर इस क़िस्म का कोई सवाल पैदा नहीं होता और मझे यह तसलीम करने में कोई हिचक नहीं कि इस कमेटी ने ठीक तरह से काम किया। साथ ही मैं यह भी अर्ज कर देना चाहता हूं कि किसी कारपोरेशन के एक एक ट्रांजेक्शन को माइक्रोस्कोपिक निगाह से देखना एक एबनार्मल चीज है कि कहां उसने ग़लती की और कहां ग़लती नहीं की। उन केसेज के अन्दर जाने पर भी आपको मालूम होगा कि कुल १०३ केसेज में चार केसेज सेलेक्ट किये गये। उन चार केसेज के बारे में भी हमारी कमेटी की यह राय है कि उनमें हमें फेवरिटिज्म और नेपोटिज्म नजर नहीं आया। बाक़ी उस कमेटी ने जो रिजेक्शन के केसेज देखे उनमें सिर्फ एक केस रिजेक्शन का ऐसा बतलाया जाता है जिस के बारे में हाउस में किसी ने शिकायत भी की थी उसके लिए उसके मैनेजिंग डाइरेक्टर ने सफ़ाई दी और बयान दिया कि यह एलिगेशन दुरुस्त नहीं है कि हमारे साथ कोई सख्ती न की गयी मैं नहीं समझ सकता कि उस कारपोरेशन के काम के लिये इस से बेहतर सर्टीफिकेट और क्या मिलता? इस कारपोरेशन को जो हमने बनायी थी उसने जिस तरह काम किया मुझे उसके अन्दर कोई ऐसी ग़लत चीज नहीं मालूम हुई जिसके लिए इस कारपोरेशन के बरखिलाफ़ और ऐसे पबलिकमैन के बरखिलाफ़ चिल्लाया जाय कि ये रुपया खा गये। यह ठीक है कि हमें हाउस के अन्दर अगर कोई ग़लती नजर आये तो उसके खिलाफ़ शिकायत जरूर करनी चाहिये इस सिलसिले में मैं बतलाऊं कि जो भी शिकायतें हमारे पास आईं उनके बारे में हमने देखा तो उनमें कोई गलती नहीं निकली। मैं अदब से अर्ज करना चाहता हूं कि गवर्नमेंट का जो ऐलान है वह निहायत वाजिब और दुरुस्त है और उन वाकेआत की बिना पर है जो कि गवर्नमेंट के सामने आये। इसको हम सब को सप्पोर्ट करना चाहिये और महज इस वजह से कि इसके अन्दर बिग बिजनेसमैन लाला श्रीराम का नाम आती है हम को इस को कंडम नहीं करना चाहिये और ऐसा करना हम को शोभा नहीं देता। उधर यह कहना कि उन्होंने कोई नेपोटिज्म और फेवरिटिज्म नहीं किया और इधर यह कहना कि कहीं कहीं से बू आती है या छोटे बिजनेसेज के लिए कुछ नहीं किया यह दोनों कंट्रेडिक्टरी चीजें हैं। गवर्नमेंट ने इस बारे में उनको लिखा और उन्होंने लिख दिया कि इस एलिगेशन का कोई बेसिस नहीं है इस शिकायत के वास्ते कोई माकूल वजह या माकूल फाउंडेशन नहीं है। इन हालात में मैं अदब से अर्ज करना चाहता हूं कि कौन शख्स इस के बरखिलाफ़ कह सकता है। सिवाय उस आदमी के जिसको गवर्नमेंट को बुरा ही कहना हो? मैं समझता हूं कि गवर्नमेंट का इस बारे में ऐलान निहायत वाजिब और मुनासिब है और गवर्नमेंट ने कई बातें जो ठीक और वाजिब थीं मानीं और गवर्नमेंट चाहती है कि इन चीजों में तरमीम कर दे। मेरे ख्याल में उन्होंने निहायत अच्छा काम किया।

Shri Gidwani: Sir, I put a question on 18th February regarding the Sodepur Glass Works and the reply given to me was that Rs. 50 lakhs had been advanced and Government understand the Industrial Finance Corporation was considering the question of necessary steps to be taken in the matter.

But when the Government issued the Resolution, they had said in their Resolution that the case of the Sodepur Glass Works was still under Government's consideration and the final decision would be announced in due course. This was on 24th December. On 18th February the reply of the Government showed as if they had nothing to do with the matter, that it was the Industrial Finance Corporation which was considering the question and taking necessary steps. I would like to know why do Government absolve themselves of their responsibility when they had stated that they were considering the question? Now they say it is the function of the Corporation.

The other thing is about the Corporation; I would like Mr. Gandhi who has signed this report to say whether he is a party to it or not. This is what it says:

"In the ultimate analysis, the following facts emerge:

> In view of the drawbacks of the project, as pointed out by the Expert Committee, the Corporation should have been more circumspect in sanctioning the original loan of Rs. 40 lakhs. The capital requirements of the project had been grossly underestimated and the Corporation seems to have made no serious attempt to properly assess at any stage the long term requirements. The single factor is the major contributory cause for the present state of affairs of the Company. The Corporation must now estimate closely the long term capital requirements.... The economies of the present plate glass plant need be looked into carefully.... The Corporation should have in collaboration with the Managing Agents devised ways and means for accelerating the construction of the factory...."

In the end it says:

> "The conflict of personalities and dual control seemed to have complicated matters resulting in mismanagement."

May I ask him if he is a party to this?

Mr. Chairman: The hon. Member might continue his speech without addressing him directly?

Shri Gidwani: Then, may I ask him through you?

Mr. Chairman: That has been asked and the hon. Member might continue.

An Hon. Member: There is no answer; it is a bad case.

Shri Gidwani: Where has the Committee made any such remark in its report that the charge of nepotism and favouritism has not been proved against the Corporation as stated by the Government resolution? We have not been able to find in the whole report anything put in that form. I do not know wherefrom Government got these two things. (*Interruptions*). Whatever may be said, it is Government's responsibility and Government has put in such a large amount of money. Is it not a fact that the Finance Secretary is not only a Director of the Corporation but a member of the Executive Committee which sanctions loans? If that is so, is not Government responsible for all these transactions that have taken place? The report of the Committee criticises certain transactions, particularly about the Sodepur Glass Works. Is not the Government responsible for the same? These are things which create an impression on the minds of the public that proper safeguards are not being taken; proper precautions have not been taken and on the whole effort is being made to whitewash the whole thing. Either you have to accept the report of the Enquiry Committee which was appointed by this House or the resolution of the Government.

The Deputy Minister of Finance (Shri M. C. Shah): The Committee was not appointed by this House.

Shri Gidwani: Then, by whom was it appointed?

Mr. Chairman: The hon. Member might address the Chair.

Shri Gidwani: He says that the Committee was not appointed by this House. It was on the suggestion of the Parliament that Government appointed it. (*Interruptions*). It was a Committee appointed by the Government and I would like to know whether Government considers that the recommendations of the Committee should be adopted by them or not. That is an important point and if Government hereafter appoints committees but ignores their reports and does not take into consideration the recommendations of these committees and on the contrary goes against their recommendations, it is a very serious matter for the whole House and the country too.

Shri V. G. Deshpande (Guna): In view of the confusion that is prevailing, may I suggest that the Chairman of the Committee may be called upon to speak at this stage? Otherwise, as there is a conflict of opinion we are lost and feel अर्थस्य तत्वं निहितं गुहायां We would like to know what the Chairman of the Committee has to say.

Dr. Krishnaswami (Kancheepuram): Mr. Chairman, I do not wish to add to the controversy by referring to new material or to the facts that have been left out of account by my hon. friend. I make this observation at the outset, that we are placed at a disadvantage since the Committee's report has been published without a summary of the findings that have been given before it. We cannot obtain a correct appreciation of the weight attached by the Committee to the various aspects of the evidence placed before it.

Now, the findings of this Committee are a very serious matter. The recommendations that it has made are recommendations which ought to be taken into account not only by the Government but by this House as well. The committee's survey raises the fundamental issue of what an industrial finance corporation is, from the working of the Industrial Finance Corporation—and I do not make any reflections on the members of that body—it is difficult to resist the inference that it has worked purely as a finance corporation. The Sodepur Glass Works, to which references were made by various speakers, turns out on examination to have been treated just as a concern would have been treated by a bank, that the directors and others thought of the Corporation purely as a finance corporation. They applied to this company the same tests which a bank would have applied. For instance, when the Sodepur Glass Works was in a very serious position they did not move sufficiently quickly and moved only after the fifty lakhs maximum had been reached. In other words their hands were forced when the maximum limit permissible under the Act had been reached. I should like to point out that in the case of the Sodepur Glass Works the major mistake which the Industrial Finance Corporation committed was to have put bankers in charge of this concern. When there are industrial concerns with great potentialities before them, it is folly to entrust them to bankers, bankers who are amiable men knowing little of industrial development and understanding less of the problems of industry. I do not want to go into the controversies which took place between the Managing Director of the Industrial Finance Corporation and the directors of the Glass Works Company. They reveal a sorry state of affairs, but they are easily remediable; what is not however remediable so easily is the banker's bias, the banker's bias which has made havoc of the aims and purposes of the Industrial Finance Corporation.

Take another case—Bengal Potteries. It is quite clear that the Bengal Potteries definitely benefited from the loan that was given by the Industrial Finance Corporation for rehabilitation purposes. Immediately thereafter the company issued bonus shares. I do not suggest that the letter of the Industrial Finance Corporation Act was violated; but surely the spirit was violated when the benefits of the profits did not accrue to the Industrial Finance Corporation. I regret

that the Committee should not have emphasised this aspect. However this is a point of view which, I think, should be borne in mind by Government, and fresh directives should be issued to the Corporation to prevent such policy being followed in the future by borrowing concerns.

The Committee has pomted out that applications for loans were examined by a small committee of the Industrial Finance Corporation—an executive committee. It is said that those applications which were accepted or which were approved were brought before the board of directors for final approval. What I should like to point out to hon. Members, is that even the rejected loans, before they are rejected, must come before the full board of directors. After all we know in many of these cases where loans come up for sanction there is a personal equation that plays a part. Probably the executive committee might make mistakes. Such mistakes can be rectified or minimised by the applications being brought before the full board of directors, and possibly when they come up before the full board of directors an opportunity might present itself of examining why these loans should have been rejected or how these loans would be useful for purposes of promoting the industrial development of our country.

There is a paragraph in the report of the committee over which I do not feel happy. The committee refers to the Industrial Finance Corporation not being concerned with the needs of backward areas. I must point out that the Industrial Finance Corporation is an all India body according to the evidence that has been placed before the committee. It has been pointed out further that it was not suffering from anything like shortage of resources at any time. Therefore, the Corporation ought to have pursued a positive policy of looking around for sound borrowers in different regions. That, after all, is the purpose of an Industrial Finance Corporation. It is no use suggesting as the committee does, that we do not know what a backward area is and how its needs are to be financed. Everybody knows in this House that there are backward areas. There is Andhra, there are parts of Karnatak, parts of Maharashtra, Travancore-Cochin and Orissa which are certainly very backward.

An Hon. Member: They are very forward.

Dr. Krishnaswami: I meant industrially backward. This is not a matter to be dealt with lightly. I know that my hon. friend is very forward in his interruptions, but let him at least assimilate something of what is said, before he interrupts. It has been suggested by the committee that the managing director should be reduced to the position of a manager. That is the tangible result of their long and tortuous reasoning. But, what is it that has been recommended? A paid chairman. I give this warning to the Government that if we are to have a paid chairman, it should not be a civil servant at all. An industrial finance corporation cannot be run properly if you have a civil servant as its chairman. I do not distrust the civil service, but I can safely affirm that civil servants cannot possess the initiative required for a promotion of industrialisation. If the country is to be developed, then we should certainly have a chairman able to assess the industrial potentialities of our country. It has been further pointed out by the committee—and this has not been given sufficient consideration—that one of the great handicaps that the Corporation has suffered from is lack of information on the industrial potentialities of our country. In assessing the industrial potentialities of our country, the corporation must have technical staff. We must spend more money on such a staff, so that technicians may go from place to place to assess the industrial potentialities of our country, and find out the proper places to which capital can be safely advanced. Then only will we have new development furthered in our country. Although the Industrial Finance Corporation is meant to fill only a few gaps in our industrial structure and

[Dr. Krishnaswami]

may be a supplement to the Industrial Development Corporation, still in the early years directives and principles issued and laid down by the Government would be valuable. The committee also deserves a vote of thanks for having invited the attention of this House to the defects in the working of the Industrial Finance Corporation, and although we may not agree with all its recommendations, let us thank them for having done the job well.

Dr. Ram Subhag Singh (Shahabad South): In this debate, some of the hon. Members said that Mr. Ambagaokar, who was connected with the Industrial Finance Corporation in various capacities, and the Chairman Mr. Sri Ram, are not up to the mark. Some hon. Member suggested that rather than giving a lift, the Secretary Mr. Ambagaokar should have been taken to task. One Member said that the Chairman should have been removed. I go a step further and say that if there is anything wrong and if the report of the committee contains anything wrong against the Industrial Finance Corporation, say against the Secretary, the whole Government should be sacked.

Some Hon. Members: Hear, hear.

Dr. Ram Subhag Singh: Only if there is anything wrong. That is what I want to emphasise.

Shri Algu Rai Shastri: There you are; you have saved the Government from disaster.

Dr. Ram Subhag Singh: Having gone through the report, I find that there is nothing wrong. The Report itself is somewhat vague and contradictory.

Dr. Lanka Sundaram: Put your heart in your words.

Dr. Ram Subhag Singh: The main task of the Committtee was to scrutinise and report on the allegations that were made in November against the Industrial Finance Corporation. The hon. Member Pandit Thakur Das Bhargava rightly said that Shri A. C. Guha was the hero of that action and he deserves all credit. The Committee went through the allegations. The Committee says:

> "From the list of names of Directors on the Boards of borrowing concerns, furnished to us by the Corporation, we are constrained to state that though the loans from the Corporation were not confined to any particular group of capitalists, there is no denying the fact that a large part of the loan applications was from big business and their associates."

But, Pandit Thakur Das Bhargava also said that if the Corporation received applications only from big business, it was not the fault of the Corporation. If the Corporation had received applications from other interests and had ignored and neglected those applications, only then could the Corporation be blamed. About applications from the other interests, the Committee says:

> "Of course it is far from truth to say that others were completely neglected."

Further on, dealing with a specific point that was raised at that time, namely that the Corporation is giving assistance to large industries only and not to small and medium-scale industries—the Committee says:

> "The examination by the Committee of the loan applications has not revealed any discrimination on the part of the Corporation against small industries in favour of larger industries. The Corporation has entertained applications from small industries provided such industries have satisfied the definition of 'industrial concerns' as given in the Act and have furnished adequate securities. As a matter of fact, a loan of Rs. 50,000 has been granted by the Corporation to a small Chemical Works.

The Committee goes on to say:

> "In this connection, we would like to mention that a Member of Parliament who appeared before the Committee for oral examination, interpreted the Preamble to the Act to mean that the I.F.C. was intended to cater only to the requirements of small and medium-scale industries."

The Committee says:

> "We regret we cannot accept this view."

I was particularly pointing out this.

The Committee further goes on:

> "The Constituent Assembly recognised that the Central Corporation should confine its activities to comparatively larger industries only while the interests of the smaller industries will be looked after by the State Financial Corporations whenever they are established."

This, I think, completely exonerates the Corporation from the allegations which were made. Whatever may be the faults—I do not know the details—as Dr. Lanka Sundaram and Shri N. C. Chatterjee have said, what we find from this report is that the Committee recognises that the main task of the Corporation was to finance the larger industries and the Committee also said that the Corporation did not desist from advancing loans to smaller industries. The Committee has not said anything against the Corporation.

At that time, another charge that was made was that without influencing one or another Director, it was impossible to get a loan from that Corporation. That charge has also been clarified by the Committee and the Committee has exonerated the Corporation from that charge also. On the whole I think on this report the Corporation cannot be blamed. The Committee has also said something about the five factories to which loans were advanced. Some allegations were made against the five concerns. According to this report, there is nothing serious which might justify the Government or the Parliament in completely condemning the Corporation. Some of the recommendations made by the Committee have been accepted by the Government. As Dr. Krishnaswami said it is no good to reduce the managing director to the position of a manager.

Dr. Krishnaswami: I never said anything like that. I said "official".

Dr. Ram Subhag Singh: I quite agree with Dr. Krishnaswami and I think that position should be recognised. Furthermore, there should not be anything which should go against industry. I have every hope that so long as Mr. Guha is there, nothing will be done by the Corporation which might go against the interests of the people of India.

Shri D. C. Sharma (Hoshiarpur): May I know how long this debate will go on?

Mr. Chairman: It is for the House to decide. We came to the conclusion that we might sit some time after 7 o'clock. So, I propose to call the hon. Minister at 7 o'clock.

Shrimati Sucheta Kripalani (New Delhi): I must get a chance to speak.

Mr. Chairman: I will give her ten minutes.

Shrimati Sucheta Kripalani: Ten minutes will not be sufficient. I will require at least half an hour.

Shri Bansal (Jhajjar-Rewari): May I just remind you that when this question was raised on the floor of the House, the Speaker was good enough to assure us that he will give us some more time and even the question-hour may be dispensed with if necessary. This is a discussion of a very important report, and I do not think it should be discussed within two hours or 2½ hours. Quite a number of Members on this side of the House also

[Shri Bansal]

want to participate, and I would urge upon you to extend the time either tomorrow or day after so that the debate may be continued and a final reply given to the various points raised. If you refer to the proceedings you will find that the Speaker was good enough to give this assurance.

Shri Morarka (Ganganagar-Jhunjhunu): May I very humbly endorse the views of Mr. Bansal and request you to give some more time to the Members on this side to express their views on this Report?

Mr. Chairman: I am afraid it is not possible for me to extend the time at this hour, because already on the agenda two hours have been allotted and other business is put for tomorrow. We have to continue the general discussion of the Railway Budget, and then there is non-official business. It is not possible, I think, to extend this debate to tomorrow. If the House agrees, we can sit longer.

Shri S. S. More: We are overworked.

Shri Bansal: This assurance has been given by the Speaker. You can find out.

Mr. Chairman: I will find out.

Shri D. C. Sharma: Closure should be applied.

Shri T. K. Chaudhuri: It seems that from the very beginning the Government interpreted the scope of the operations of the Industrial Finance Corporation in a somewhat different manner from the Committee the report of which we are considering now. In various places and in dealing with specific cases, the Committee has definitely disapproved of the idea of the Corporation advancing any loan for working capital, but in the Resolution which* brought this Committee into existence and also in the Resolution of the Government on the Report of the Committee it seems that Government is definitely of the view that the Corporation is justified under certain circumstances in advancing loans for working capital. To my mind, those circumstances have been left very vague and unsatisfactory by the management of the Corporation and also by Government from the very beginning. This is a point which should be cleared up.

As to the points made out by my hon. friend Dr. Ram Subhag Singh, I would only read out certain lines from the Report itself. The Committee says:

> "It cannot be denied that the Corporation carries a bias in favour of established industries and industrial concerns with which a prominent industrialist is associated."

On page 11 of their Report, the Committee say:

> "....though the loans from the Corporation were not confined to any particular group of capitalists, there is no denying the fact that a large part of the loan applications was from big business and their associates."

Dr. Ram Subhag Singh: What is the next line? Please read out that also.

Shri T. K. Chaudhuri: Although the Government do not accept this finding....

Mr. Chairman: Order, order. There is too much of noise in the House, and it is not possible to hear the speaker.

Shri D. C. Sharma: May I submit that the debate should conclude now, and the hon. Minister should be called upon to speak?

Shri Bansal: The House wants to continue the debate.

Shri N. C. Chatterjee: The Chairman of the Enquiry Committee should be given a chance.

Mr. Chairman: I have already promised that.

Shri T. K. Chaudhuri: Although Government have not accepted the findings of the Committee in this res-

pect, and there are some contradictory statements in the Report itself with regard to other things, I think in fact, the views of the Committee on this points are very clear. Out of the total loan of Rs. 15,27,70,000, to one group alone, I might call it the Shri Ram group, a sum of Rs. 624,75,000 was advanced, which comes to about 40 per cent. of the total loan sanctioned. If we take into account the effect of interlocking of directorates etc., it will be found from the statistics given in the Report itself—not from any casual remarks made here and there—that about 90 per cent. or more of the loans was given to a small group, a cotarie of capitalists who were associated with this organisation. So, our demand is very clear that these things should be set right immediately, more so, in view of the fact that corporations with much greater resources are going to be established very soon, with the help of the World Bank and other international organisations. If this be the precedent, and if this be the tradition to follow, in the case of these organisations also, I think the economic future of the country is very dark indeed!

Shrimati Sucheta Kripalani: I would not have liked to intervene in this debate but for the fact that certain points obviously need clarification. I have been hearing all kinds of speeches, and it leaves me rather bewildered as to what I should say.

I will say that at the outset that along with some of my colleagues here and Members of the Inquiry Committee, we were greatly disappointed at the handling of the report by the Government after its submission. The Government's reaction in several matters which we and the public consider important was not very happy.

I will refer first to the time factor. We were appointed on the 30th December. The first meeting took place on the 20th of January. We were expected to submit our report within three months. When we started the work, we had no idea as to what would be the volume of work. But then we realised that we shall have to wade through a large number of document and papers and it would take a long time. I would also remind the House that at that time Parliament was in session and the members of this Committee were all busy people coming from different parts of India and it was difficult for us to meet. So we could not finish the work and we had to ask for an extension of time. I would have very much liked to give more time to this report. It was a serious matter and I would have liked to make myself quite sure about our facts and findings. Anyway, why did I not ask for further extension of time? Because questions were being asked in Parliament and people were anxious to know what had happened to the Committee? That was why I was very keen to submit the report even before the Parliament adjourned, and I submitted it on the 7th May. To my surprise, the report did not see the light of day till the 23rd December, the last day of the session of the Parliament. Another surprising factor was that copies of the report were not given to the Members of Parliament. Usually copies of such reports are circulated to the Members. Then alongside with the report came the Government resolution embodying the decision of the Government on the views of the Committee. I do not know if this is the normal procedure followed. I should think that when this Committee was appointed at the demand of Parliament—a very heated discussion took place in the House and as a consequence the Committee was appointed—and there was a lot of misunderstanding and suspicion in the minds of Members, it would have been better if the report had first come to the Parliament to be debated upon the Government would have assessed the opinion of the members and taking into consideration the views of the House, formulated their decision. But the very fact that the Government faced us with their decision leaves the impression in our mind—and in the minds of others—that they wanted to anticipate any influence that might be exerted by the speeches of the Members of Parliament. However now both

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the Report and the Government resolution are before the House.

I will now go into the details. But before I do so, I am very intrigued to see the attitude of members of the Congress party. One gentleman congratulated me for the moderation of my report, and he said that advisedly I did so. Another member started with congratulation and then opined that our moderation itself was a fault. A very esteemed friend in the Congress said that he has experience of criminal work, but I humbly submit, Sir, I have no experience of criminal work. I am a lay person. (*Interruptions*). The Committee was not obviously meant to be a judicial Committee. Members of the Board of the Corporation have complained that they were not given a chance to cross-examine the witnesses. Well, if the Government wanted to appoint a judicial Committee, I should not have been the Chairman but my learned friend, Mr. Chatterjee.

An Hon. Member: Or Pandit Thakur Das Bhargava.

Shrimati Sucheta Kripalani: Or Pandit Thakur Das Bhargava. Well about this I would like to say, that we were not carrying on a judicial inquisition and the question of the examination and cross-examination of witnesses did not arise. But we satisfied ourselves and we did our work as honestly as we could. I shall give a few facts about the evidence we took. Besides the Chairman, Managing Director and Sir Biren Mukerjee, the Committee also examine the Deputy Managing Director of the Corporation. The Managing Director was examined twice. The Committee rounded off its examination by discussion with the Board of Directors of the Corporation and whatever clarification was necessary was obtained. The factual data given in the report are based on the information furnished by the Managing Director.

As you can very well realise, we were hard pressed for time. We could not sit for months together and probe into every detail, but we looked into the facts furnished to us by the Managing Director and all the facts and conclusions in the report are based on these documents which are available in the office of the I.F.C. I say this in reply to Pandit Thakur Das Bhargava's attack.

7 P.M.

Now, there is the resolution of the Government. In many ways this resolution misrepresents the report. What is the whole attitude of the resolution? It seeks to create an impression that the Committee has exonerated the Corporation of all the charges. I would say that the Government has ignored the deeper implications of the report in arriving at their decision. It is quite contrary to the spirit of the report.

We have been charged with not having substantiated our observations. I think the Government's comments are not consistent with the facts as revealed in the report, where all the materials have been set forth about each specific case and also about the general charges. If the Government did not like our findings, they might have referred it to a third party instead of sitting in judgment over its own affairs. One hon. Member has pointed out that the resolution is signed by Mr. Ambegaokar, the Secretary of the Finance Ministry. He happens to be a member of the Board of Directors of I.F.C. and he is also on the Executive Committee. Being a man, who lives in Delhi, he has been very closely associated with the work of the I.F.C. After the Chairman of the Board of Directors and the Managing Director, he perhaps was most closely associated with the work of I.F.C. Was it fair on the part of Government to make those very people about whom we were making enquiries to sit in judgment over their acts. I think it was not fair. (*Interruption*).

I will now give some details. The Committee was asked, among other things, to look into the charges of nepotism, and favouritism in the matter of granting loans. There were certain specific charges; certain cases

were mentioned and we were asked to look into those cases. We were told that a certain group of business men had taken a good part of the loans that were sanctioned. We were asked to verify the facts and find whether they were correct. We were asked to see whether the I.F.C. was favouring big business and was neglecting others. We were asked to make suggestions for the improvement of the working of the I.F.C.

After reading our report, the Government have said that we have made statements without substantiating them. Sir, you know that it is not always very easy to establish charges of nepotism, favouritism and corruption. People who do these things do not do them in such a way as to leave evidence in black and white all over the world to make it easy for people to find them out. Though direct evidence about invidious distinctions made by the Corporation between industrialists may on superficial examination appear to be fragmentary. Yet it carefully examined the material furnished in the Committees report furnish ample evidence to justify the conclusions of the Committee. The expeditiousness with which the loans to the Orissa Textile Mill were granted and the "lack of wisdom" that is a very moderate word which I am using—displayed by the Corporation in granting the loan to the Sodepur Glass Works are illustrations. (*Interruption*). It simply takes my breath away when the Government say that we have exonerated them of all charges. The chapter on Sodepur Glass Works is there; that itself would be condemnation of any institution. In all honesty, I say, in my mind, there is no room for doubt that uniformity of treatment has not been accorded by the different Corporations and I.F.C. has been swayed by the status of the industrialists concerned. It may be considered nothing very unusual! It happens all over this world!

Then, take the question of issue of working capital. The Corporation took a rigid attitude towards Metal Corporation of India while it acceeded to like requests by other industrialists.

I need not go into other details. Take the cases in Chapter III, where we have gone into the specific allegations which were made in the House. We have dealt with these companies and we have given reasons for our conclusions. We have categorically expressed our views. It is true in general we have used moderate language. We could have used high-flown language of denunciation. Probably, only then the Government would have understood our meaning. We wanted to be moderate because we were dealing with a credit and Finance organization which was new to this country. When I worked on the Committee, I did not work as a member of the Opposition; I worked on it as an Indian citizen. We wanted that this Corporation should be put on its feet and allowed to grow. We knew that the I.F.C. was negotiating with the World Bank. We did not want to retard the growth of the institution. We have been charged with not having substantiated the facts. It takes my breath away when people like Pandit Thakur Das Bhargava say that. Let me tell him that the members worked hard. I drove them as a camel driver. The Committee was an Expert Committee perhaps barring me; there were Chartered Accountants and men of considerable business experience. For every loan case that we examined, we have got notes. I even offered to give these notes to the hon. Finance Minister. We seriously considered whether we should not put all the notes on the loan cases as an appendix, but I am very glad we did not do it. We did not want to discredit individual concerns. We also thought of the good of the country. What for did we have this enquiry? We wanted this institution to be put right. I am very sorry, therefore, to see that the report has not been taken in the right spirit. In this connection, I will give you some facts.

Acharya Kripalani: Moderation is not appreciated.

Shri N. C. Chatterjee: What was the hon. Member doing?

Mr. Chairman: Let there be no interruption and let the hon. Member proceed.

Shrimati Sucheta Kripalani: We were asked to find out whether some concerns in which the Chairman of the Corporation was directly interested, did or did not get large amounts as loans. On page 11 of the Report, as already quoted by other speakers, we have said that while the total amount of loans granted to four concerns in which the Chairman has substantial financial interest is only Rs. 113 lakhs, the loans granted to the other four concerns, with which he was connected by family relationship, came to Rs. 129 lakhs. We were asked to see whether the companies with which the Chairman was concerned did get a large amount or not, and we have said 'Yes'. Then, we have, in detail, analysed each company's position. Take the Jay Engineering Works. What have we said? We have been told that our facts are wrong. I could have understood if they had criticised me only, I may be a layman but all the other members of the Committee were not so. They had considerable knowledge of finance and industry. The Report says that, this company is grossly under-capitalised. The Industrial Finance Corporation in this case have not followed the criteria laid down by them for loans. I would refer to the first report of the Industrial Finance Corporation in which I.F.C. has given its own opinion on how under-capitalised concerns should be treated. In regard to Bengal Potteries, Rs. 20 lakhs were given as loan and Rs. 16 lakhs were allowed to be given back to the Punjab National Bank. If they had uniformly followed this practice there would be no objection. (*Interruption*).

Pandit Thakur Das Bhargava: The 16 lakhs advanced by the bank were used for creating those very fixed assets.

Shrimati Sucheta Kripalani: Whatever it is, out of Rs. 20 lakhs, Rs. 16 lakhs were paid back to the Punjab National Bank. As against this, another company, was not allowed to pay back to their bankers from the Corporation's loan. They had to be satisfied with the company's debentures.

Pandit Thakur Das Bhargava: Advancement of debt depends upon combination of or on the totality of circumstances.

Mr. Chairman: The hon. Member at least should appear to be addressing the Chair.

Shrimati Sucheta Kripalani: In the case of another company, which had a large loan from the Government of Orissa they were allowed to persuade the Orissa Government not to withdraw their loan of Rs. 30 lakhs. But in the case of another company which had a loan from the Bombay Government, it had to pay back the loan. What I say is that all the companies must get uniform treatment. The Corporation treated one company with greater liberality and another with greater rigidity. What is this? Is this not nepotism? I will give you another case—this is a Bombay case. I rather hesitate to say that, it is supposed by the public, that the managing director is favourable towards certain Bombay firms, and about one of these firms, I will tell you something. In this case, technical opinion of the Ministry pointed out that the loanee company should manufacture their own glass tubes in order to be economically sound. The company got the loan, but the tubes are being manufactured by another company. The Industrial Finance Corporation has raised no objection.

All the 127 loan cases, which were rejected, were gone through by three members of the Enquiry Committee, who are experts, and the conclusions given are based on their findings. About the rejected cases, on pages 33-34 of the report, we have given the reasons for rejection. These classified reasons for rejections are not ours, but we have found them from the Corporation's own papers. What is the conclusion that we have drawn?

"It would appear from examination of some of the rejected applications that the grounds for rejection stated above were not uniformly applied to all the cases, or in other words, in some of the cases loans had been granted though the applicants suffered at the time of taking loans from some of the disabilities enunciated above.

It is also true that reasons for rejecting applications as given were not final as it would appear that some of these very rejected applications were accepted on reconsideration by adjustment of the offending grounds. It may well be asked why such an attitude was not taken in regard to other applications. Had this been done, some of the applicants might have qualified for loans."

What more proof do you want? If you want details of all the 127 cases they can be made available to the Government.

Acharya Kripalani: Even to the House.

Shrimati Sucheta Kripalani: To the House also.

An Hon. Member: Even to Acharya Kripalani.

Mr. Chairman: The hon. Member should try to be brief.

Shrimati Sucheta Kripalani: I shall be very brief, Sir.

I have already drawn the attention of the House to our comments on the Jay Engineering Works and also the Bengal Potteries. I do not want to go into further details.

Dr. Krishnaswami criticised the report about its attitude on the question of loans to backward areas. I cannot blame the Corporation, as things stand, for not giving loans to backward areas. But I cannot absolve the Government. Government should have given directives to the Corporation. But it is most surprising that during the whole of this period, there was only one solitary directive issued by Government. The Committee, in page 22 of the Report has therefore observed:

"We are, however, surprised that the only directive so far issued by the Government of India are those contained in Ministry of Finance Letter No. 134/Adl.S/48, dated 21st August, 1948, addressed to the Managing Director of the Corporation."

Now, the Industrial Finance Corporation is a new institution. The Government should have from time to time given some directives. The Government's reply to this point is that they had two Government officers on the Board. They could interpret the policy of the Government. It is true two Government officers were on the Board. They were.....

Acharya Kripalani: Sleeping!

Shrimati Sucheta Kripalani:...helpful in bringing some kind of coordination, but apparently their presence alone did not fill the gap. Obviously there was need for Government directives. If these had been given, this Corporation might have helped the backward areas. Otherwise only an Industrial Development Corporation could have gone into the case of backward areas.

Now, about the Sodepur Glass Works—I do not wish to say much. I will only say this, that to start with, this loan should not have been given. Expert opinion pointed out very many serious defects. But inspite of that the loan was given. Why? I would ask. This whole case is a most fantastic chapter. I am not a financier: I may not have much experience of these things. But as a lay person when I delved into the facts of the Sodepur case, I was astounded. I could not imagine that such things can happen in the case of a public body. Dr. Lanka Sundaram has already referred to it

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but I will first read out to you from page 50:

> "In our opinion there was no justification in the first place, for the granting of this loan in view of the shortcomings that were clearly pointed out by the Expert Committee. But, once the Corporation decided to sanction the loan, it was incumbent upon the Corporation's executives and particularly its Managing Director to see that the loan was disbursed expeditiously....."

And here on page 51, you will see that the loan was given out in driblets perhaps in twenty-one instalments. The I.F.C. had also stipulated that they should have a General Manager and an Accountant of the former's choice.

Dr. Lanka Sundaram: There are three more loans apart from the one printed on page 50.

Shrimati Sucheta Kripalani: There was a stipulation that they should take a Manager and Accountant of I.F.C. choice. This was done to secure the interests of the I.F.C. But what sort of man was thrust upon the Company? I read out from page 52:

> "The Company had no objection to the appointment of a General Manager but it pointed out that the General Manager the Corporation desired to appoint (one Mr. Krishnaswamy....) would not be the best suited person for a factory of this type. The Company expressed its readiness to accept a General Manager of adequate experience of factory management and also with some technical knowledge. Apparently this advice was not accepted by the Corporation and Mr. Krishnaswamy was appointed as General Manager of the factory."

A huge big factory, such a big factory that when it was started people very foolishly thought that it was going to be the biggest factory in Asia and the General Manager was a man having no industrial experience. How do you expect under such circumstances the industry to flourish? I could have understood if the Company had foolishly appointed such a person but why should the Government force such a man down their throat when he was not competent to do the job. Then, how did they treat this man, their own man, their own selection? He that is, Krishnaswamy often repeats "I cannot carry on the work—there is no money". We have got quotations from his letters. On 31st July 1951, he wrote: I am giving extracts from his letters:

> "a large number of orders for materials which are very urgently required to proceed with the factory's construction is pending with the Company's Calcutta Office for a long time unexecuted for want of funds...."

In another letter in August 1951, he pointed out:

> "I do not know with what face our representatives will be able to approach again this month for getting rice (from the Bihar Government for Rs. 3,920 without clearing off the previous dues for 10,427. If my attempts to get rice fail now, the situation which is explosive, will be too disastrous to contemplate, with two weeks' and one month's salary in arrears and no money to pay for running the factory in other ways."

In the third letter, which is even more interesting, this is also in August 1951, he wrote:

> "I enclose for your information and instructions by return of post copy of the inspection report under Payment of Wages Act, 1936 served on us by Registered post today by the Inspector of Factories, Ranchi. It will be noted that steps are ordered to be taken to clear off the present arrears immediately; to arrange for future payments well in advance and to treat the notice as a final warning to us."

He also added: (listen to this more carefully):

> "As advised in the last para. of my daily report No.....dated 15th July 1951, nobody will shoulder the onerous responsibilities of Factory Manager who will be prosecuted for the above irregularities."

This is the way how some companies were treated by the Government.

An Hon. Member: That is their usual way.

Shrimati Sucheta Kripalani: Mr. Bhagat was sent as an expert to inspect the factory because Mr. Bhagat is the owner of a glass factory. As an expert he was sent by the Corporation. After a little time Mr. Bhagat becomes one of the partners of the managing agency. He also drew a salary. The Corporation was evidently aware of the admission of Mr. Bhagat in the Managing Agency firm and we do not find anything on record to show that the Corporation disapproved of such an appointment. The Report says:

> "In our opinion, we consider it wrong, in principle, on the part of Lala Shri Ram to have recommended Mr. Bhagat to Lala Gurusharan Lal and on the part of Mr. Bhagat to have joined the Managing Agency firm when only a few months ago he had on behalf of the Corporation, carried out an examination....."

As a result of these and other bunglings, today we find the factory in a soup. Up-to-date when we held the enquiry, Rs. 64 lakhs had gone into the company. This was at least one of the things about which Government should have acted quickly. What for did we take all this trouble? Because we wanted to save public funds and to see that public institutions are run properly.

Shri S. S. More: Who is this Bhagat?

An Hon. Member: Not our Bali Ram!

Shrimati Sucheta Kripalani: I would like to know from the Finance Minister what is the present condition of this factory, how is it being run, what are his plans for it? I hear they are proposing to sell it to make good government losses. In our report we have said that whenever they want to sell such a factory they should refer to Government. That recommendation of ours has not been accepted.

While going into the case all sorts of things came to light and we found—not that I say that this happened in this case—but we found this to be within the range of possibility that if the I.F.C. was badly inclined towards a firm it was possible for them to destroy the firm, and after doing so that firm could be sold for a song to anybody. I do not say it happened in this case, but we found this to be a possibility. That is why to prevent such conditions we have said that whenever I.F.C. has to sell a factory, it should be first referred to the Government. In the case of this factory I would even ask the Minister of Production whether he would not take it and run it. I think Government may have sunk nearly a crore of rupees on this to date. Then let the Government run it. When the I.F.C. sells such a factory their aim will be to make good their losses. But what about the shareholders? They would go to the wall. I, therefore, say when we have a Production Ministry let that Ministry run it.

Another recommendation, a serious recommendation, which has been rejected by the Government is that nobody should be a director who wants a loan. I have heard Mr. Tulsidas Kilachand with the deference due to him. But I would yet ask, when so much suspicion has been engendered, when such an atmosphere has been created, is it not fair, even for the people who are directors, so that they might not unnecessarily be suspected by the people, that statutorily they should be debarred from taking loans from the Corporation? I am sure there are enough people among the business community in India who will be willing to come to serve the nation with-

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out any suspicion of ulterior motives. The Government's reply on this point does not impress me. If a director wants a loan he can resign and somebody else can be elected in his place. It is not such an impossible position.

Mr. Chairman: I would request the hon. Member to finish.

Shrimati Sucheta Kripalani: Thank you, Sir. I will finish. Just one word more. Government has rejected our proposal that there should be a Public Corporations Committee of Parliament. This idea has been with us for a long time. If I am not mistaken, perhaps the late Dr. Syama Prasad Mookerjee and some others had spoken about it.

Shri A. C. Guha: May I know to which recommendation she is referring?

Shrimati Sucheta Kripalani: That there should be a Parliamentary Committee for Public Corporations. Many Corporations like this are being created. Large public funds are going into them. It is but right that Parliament should have some kind of supervision over them. Therefore, with all the emphasis that I can command I recommend that Government should reconsider their decision in the matter and have a Public Corporations Committee of Parliament. Sir, I have done.

Mr. Chairman: Still there are three Members who have given their names but have not yet got an opportunity to speak. I have received messages of requests from other Members also whose names are not there. This is an important matter and some more time should be given. The Government also requires a pretty good time to reply and I do not think we can conclude it today. So, I propose that it should be taken up on some other day; when these Members can speak and the Government can reply within the time that it requires.

Shri A. C. Guha: Can new Members now give their names?

Mr. Chairman: I am not permitted that. Because we have received the requests the Speaker may consider them. I confine myself only to those names which were entered in the list.

The House then adjourned till Two of the Clock on Friday, the 5th March, 1954.